

Amendment No. 1
TOYOTA AUTO FACILITY LEASE
AND AGREEMENT

July 1, 1973

THIS AMENDMENT made and entered into this 1st day of July, 1973, by and between THE PORT OF PORTLAND, a municipal corporation organized and existing under the laws of the State of Oregon, hereinafter called the "Port", and TOYOTA MOTOR SALES, USA, INC., a California corporation, hereinafter called "Toyota,"

W I T N E S S E T H :

WHEREAS, the Port and Toyota entered into a Lease and Agreement dated January 24, 1972 setting forth the rights and obligations of the said parties relating to an auto dock facility and adjoining areas in Portland, Oregon,

NOW, THEREFORE, In consideration of the mutual covenants and agreements herein set forth to be kept and performed by the Port and Toyota, the Port and Toyota agree to amend and revise the aforesaid lease and agreement as follows:

1. Article 1, Section A is hereby revised and amended to read as follows:

ARTICLE 1 - Premises

A. The leased premises shall be composed of the following land areas and physical facilities located at Terminal No. 4 and described on Exhibit A attached hereto and incorporated herein by reference.

1. Auto Dock Area: Composed of a floating auto dock, ramps, roadways and Office and Lunchroom Building.
 2. Receiving Area: Composed of twenty (20) acres, more or less, graded, paved and fenced and adjacent to the Auto Dock Area.
2. Article 1, Section C is hereby revised and amended to read as follows:
- C. The Port shall reserve for Toyota and Toyota shall have an option to lease an additional ten (10) acres for expansion of or addition to the Receiving Area for a period of four (4) years from July 1, 1973 in accordance with the following terms and conditions:
1. For each acre added to the Receiving Area, the minimum wharfage payment as stated in Article 3-A-3 shall be increased by Two Thousand Four Hundred Dollars (\$2,400) and the Receiving Area minimum as stated in Article 3-B-2 shall be increased by Six Hundred Dollars (\$600).
 2. Additional Receiving Area shall be made available by the Port at no cost to Toyota except for the increase in minimum rent as set forth above.
3. Article 2, Section C Service and Rail Area is deleted and in place thereof shall be added:
- C. Terminal Operation: Toyota shall have the right to act as Terminal Operator for the leased premises. As Terminal Operator Toyota shall have the right to

collect the Service and Facilities charge in the then current Port of Portland Terminal Tariff. In the case that Toyota acts as Terminal Operator, Toyota will, at the lessor's request, perform delivery services for other automobiles using the Terminal 4 auto facility. In this case, the Port will pay a sum equal to sixty cents (\$0.60) per unit delivered by Toyota for the Port. The sixty cents (\$0.60) will be escalated by the same proportion as the Service and Facilities charge in the Port tariff; the base point for the calculation being a Service and Facilities charge of Three Dollars and Eleven Cents (\$3.11) per 2,000 lbs. Toyota may assign its right to act as Terminal Operator subject to all the conditions herein.

4. Article 3, Section A is hereby revised and amended to read as follows:

A. Dock Area:

1. Dockage: It is agreed that Dockage will be billed to the account of the vessel by the Port according to the then current Port Terminal Tariff and all such sums shall be retained by the Port.
2. Wharfage on Automobiles: Toyota agrees to pay to the Port Wharfage on automobiles discharged at the Dock Area based on the following rates (stated in dollar amounts per ton of two thousand (2,000) pounds): Three Dollars and Seventy-five Cents (\$3.75) per ton of two thousand (2,000) pounds.

3. Wharfage Minimums: In no event shall the Wharfage payments for any twelve month period beginning July 1, 1973 be less than Sixty Nine Thousand Dollars (\$69,000).

Any discharging of automobiles by Toyota at the premises, or at other Port facilities specifically agreed to, shall be billed according to this Article 3-A and Wharfage shall apply against the minimum stated above.

4. Wharfage on Cargo Other than Automobiles: All vehicles and cargo other than automobiles discharged by Toyota at the premises shall be billed and paid for at the then current Port Terminal Tariff and any Wharfage so billed shall apply against the Wharfage minimum.
5. Section B of Article 3 is hereby revised and amended to read as follows:

B. Receiving Area:

1. Receiving Area Rental: For exclusive use of the Receiving Area described above in Article 1-A-2, Toyota agrees to pay the Port a Receiving Area rental fee of One Dollar (\$1.00) per ton for all cargo discharged by Toyota at Portland.
2. Receiving Area Rental Minimum: In no event shall the Receiving Area rental for any twelve month period beginning July 1, 1973 be less than Seventeen Thousand Dollars (\$17,000).

6. Section C of Article 3 is hereby deleted and in place thereof shall be added:

- C. Terminal Operator Revenue

For each twelve month period beginning July 1, 1973 one half of all revenues collected for Wharfage and Receiving Area charges in excess of the minimums set forth in Article 3 Section A-3 and Article 3 Section B-2 shall be paid to the Port and one half of said charges in excess of the minimums shall be paid to Toyota or its designated Terminal Operator as set forth in Article 2, Section C.

7. Section B of Article 8 is hereby revised and amended to read as follows:

- B. Receiving Area:

1. Toyota shall keep the premises clean and orderly.
 2. Toyota shall promptly repair any damage to the premises caused by Toyota, its designees or assignees.
 3. The Port shall perform all other maintenance required in the Receiving Area.

8. Section C of Article 8 is hereby revised and amended as follows:

- C. Repairs and Alterations required by Government Authority:

Toyota agrees at its sole expense to make all repairs, alterations and improvements required by Federal, State or other governmental law, ordinance, rule regulation or order.

9. Section A of Article 14 is hereby revised and amended to read as follows:

A. Security of Premises: Toyota shall assume complete responsibility for security of the leased premises and goods thereon except that Toyota shall not have responsibility for the security of cargoes belonging to third parties using the premises pursuant to rights reserved for the Port its designees or assignees under Article 2. The Port assumes no liability or responsibility for loss or damage to the property under control of Toyota, whether caused by fire or other causes, except as follows; for damages clearly caused by vandalism, not including theft, the Port will accept and pay claims. Toyota covenants and agrees to waive any and all claims against Port in connection with such loss or damage, and further covenants and agrees to waive subrogation rights of its underwriters in connection with such loss or damage. The Port assumes no liability for the security of the premises, but reserves the right to police the use of the premises as to fire or other hazard without assuming responsibility or obligation in connection therewith. The Port assumes no responsibility for the handling of or placement of insurance upon any cargo moving over the premises.

10. All other terms and conditions of the aforesaid Lease and Agreement dated January 24, 1972 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have subscribed their names this
_____ day of _____, 1973.

TOYOTA MOTOR SALES, U.S.A., INC.

THE PORT OF PORTLAND

By _____

By _____

By _____

By _____

THE PORT OF PORTLAND

TOYOTA AUTO FACILITY LEASE AND AGREEMENT

January 5, 1972

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LEASE AND AGREEMENT

THIS LEASE AND AGREEMENT, made and entered into at Portland, Oregon, this 21 day of January, 1972, by and between THE PORT OF PORTLAND, a municipal corporation organized and existing under the laws of the State of Oregon, hereinafter called the "Port," and TOYOTA MOTOR SALES, U.S.A., INC. a California corporation, hereinafter referred to as "Toyota,"

W I T N E S S E T H:

That in consideration of the agreements and covenants herein set forth to be kept and performed by the respective parties hereto, the Port and Toyota agree as follows:

ARTICLE 1 - Premises

A. The leased premises shall be composed of the following land areas and physical facilities to be located at Terminal No. 4 or the Rivergate Industrial District.

1. Auto Dock Area: Composed of a floating auto dock, ramps, roadways and Office and Lunchroom Building similar to Auto Dock No. 2 at the Terminal No. 4 Auto Facility.

2. Receiving Area: Composed of eighteen (18) acres, more or less, graded, paved and fenced and adjacent to the Auto Dock Area.
3. Service & Rail Area: Composed of six and one-half (6-1/2) acres, more or less, graded, paved and fenced and near the Receiving Area. Facilities will include a six thousand (6,000) square foot building with conveyor for automobile clean-up and four (4) rail spurs similar to those in the clean-up area of the Terminal No. 4 Auto Facility.

It is recognized by the parties hereto that the exact location and legal description of the permanent premises have not yet been determined and that the location and legal description of such premises leased hereunder shall be mutually determined within the interim period of two (2) years from the effective date as established in Article 5.

During the interim period, prior to a mutual determination of the exact location and legal description of the premises and prior to Toyota's taking possession thereof, the Port shall provide temporary premises at the Terminal No. 4 Auto Facility as shown on Exhibit A attached hereto and incorporated herein. The terms and conditions of this Lease and Agreement shall apply to such temporary premises as though they are the permanent premises.

Such temporary premises shall not, however, include the Service and Rail Area at the Terminal No. 4 Auto Facility. Further, the terms and conditions of this Lease and Agreement relative to such area shall not apply during the interim period.

B. In the event the Port deems it necessary, any, all or part of the premises may be withdrawn provided that:

1. Prior to withdrawal the Port shall substitute other premises which shall contain space and facilities equal to or greater than the premises above described.

2. The Port shall give Toyota ninety (90) days written notice prior to any relocation.

3. The Port shall pay all costs of relocation pursuant to this paragraph.

C. The Port shall reserve for Toyota and Toyota shall have an option to lease an additional thirty (30) acres for expansion of or addition to the Receiving Area for a period of four (4) years from the effective date hereof as established in Article 5 in accordance with the following terms and conditions:

1. For each acre added to the Receiving Area, the minimum rental for the Receiving Area as stated in Article 3-B-3 shall be increased by Two Thousand Five Hundred Dollars (\$2,500).
2. Additions to the Receiving Area shall be made by the Port at no cost to Toyota except for the increase in minimum rent as set forth above.

ARTICLE 2 - Use of Premises

- A. Dock Area: Toyota shall have a preferential right or privilege to use the Dock Area subject to the following conditions and reservations.

1. Preferential Berthing Rights for Toyota: Upon departure from point of origin, Toyota shall notify the Port (written notice not required) that a vessel is destined for Portland and such notice shall state the estimated time of arrival. In no event shall notice be given less than seven (7) days prior to the estimated time of arrival. Further notice (unwritten notice shall be deemed sufficient) shall be given forty-eight (48) hours prior to arrival at the Dock Area. Provided such notices have been given, the Port agrees to clear the Dock Area of all vessels and cargo in order to permit the prompt berthing of Toyota vessels, for the purpose of discharging automobiles, other vehicles or cargo incidental thereto at the Dock Area in preference to all others.

2. Secondary Berthing Rights Reserved for Port: The Port reserves the right to use the Dock Area for the berthing of vessels and loading or discharging of cargoes and operations incidental thereto when the Dock Area is not being used by Toyota pursuant to Article 2-A-1. Toyota agrees to remove its vehicles and other cargo from the Dock Area immediately after discharge from vessel. Toyota also agrees that it shall promptly remove its vessels not engaged in cargo discharging operations from the Dock Area provided that the Port shall request such removal in order to exercise its Secondary Berthing Rights.

3. The Dock Area shall be used by Toyota to berth vessels discharging cargoes of automobiles and other vehicles and for operations and other cargo discharge incidental thereto. Toyota and the Port agree that the Joint Use Roadway and the Office and Lunchroom Building may at all times be used by the Port, its designees and assignees and that the roadway shall be used only for the purpose of moving cargo and shall not be used for storage or parking or any other use which limits or impedes the movement of cargo by joint users.

B. Receiving Area: Toyota shall have the exclusive use of the Receiving Area during the term of this Lease and Agreement.

C. Service & Rail Area: Toyota shall have the exclusive use of the Service and Rail Area.

ARTICLE 3 - Rent

Toyota agrees to pay to the Port for use of the premises described in Article 1 payments as follows:

A. Dock Area:

1. Dockage: It is agreed that Dockage will be billed to the account of the vessel by the Port according to the then current Port Terminal Tariff.
2. Wharfage on Automobiles: Toyota agrees to pay to the Port Wharfage on automobiles discharged at the Dock Area based on the following rates (stated in dollar amounts per ton of two thousand (2,000) pounds):

First fifteen thousand (15,000) automobiles discharged in a Lease Year, Wharfage at the rate of Three Dollars and Seventy-five Cents (\$3.75) per ton.

Second fifteen thousand (15,000) automobiles discharged in a Lease Year, Wharfage at the rate of Two Dollars and Seventy-five Cents (\$2.75) per ton.

Third fifteen thousand (15,000) automobiles discharged in a Lease Year, Wharfage at the rate of One Dollar and Seventy-five Cents (\$1.75) per ton.

After forty-five thousand (45,000) automobiles discharged in a Lease Year, Wharfage at the rate of One Dollar (\$1.00) per ton.

3. Wharfage Payments On a Per-Automobile Basis: Wharfage payments shall be made monthly in accordance with Article 4 on an amount-per-automobile basis, such amount being the applicable Wharfage rates as previously set forth multiplied by the average weight in tons per automobile discharged at the premises by Toyota during the preceding Lease Year. Such per-automobile Wharfage rates shall be determined by the Port at the beginning of each Lease Year based on the average weight per automobile discharged at the premises by Toyota during the preceding Lease Year. For the first Lease Year of this Lease and Agreement, the parties agree that the average weight per automobile for the purposes of computation of the Wharfage rates per automobile shall be one and five one-hundredths (1.05) tons.
4. Wharfage Minimums: In no event shall the Wharfage payments for any Lease Year be less than Eighty-three Thousand Seven Hundred and Fifty Dollars (\$83,750).

Any discharging of automobiles by Toyota at the premises, or at other Port facilities specifically agreed to, shall be billed according to this Article 3-A and Wharfage shall apply against the minimum stated above.

5. Wharfage on Cargo Other than Automobiles: All vehicles and cargo other than automobiles discharged by Toyota at the premises shall be billed and paid for at the then current Port Terminal Tariff and any Wharfage so billed shall apply against the Wharfage minimum.

B. Receiving Area:

1. Receiving Area Rental: For exclusive use of the Receiving Area described above in Article 1-A-2, Toyota agrees to pay the Port a Receiving Area rental fee of One Dollar (\$1.00) per ton for automobiles discharged by Toyota at Portland.
2. Rental On a Per-Automobile Basis: The Receiving Area rental payment shall be made monthly on an amount-per-automobile basis, such amount being the average weight in tons per automobile for the preceding Lease Year multiplied by the One Dollar per ton rental fee. The rental fee per automobile shall be determined by the Port at the beginning of each Lease Year based on the average weight per automobile discharged by Toyota at Portland during the preceding Lease

Toyota shall pay the Port monthly on or before the tenth (10th) day of each calendar month rent as set forth in Article 3 or other sums due hereunder for the preceding month. All payments shall be made in lawful money of the United States at the Port's offices in Portland, Oregon.

ARTICLE 5 - Term

This Lease and Agreement shall be for a term of fifteen (15) years effective on the date established according to Article 14-V. Each year of this Lease and Agreement, commencing on the effective date of this Lease and Agreement and annual anniversaries thereof, shall be designated as a "Lease Year."

ARTICLE 6 - Alterations and Improvements

Toyota may make alterations or improvements to or upon the premises or install fixtures after first obtaining written approval from the Executive Director of the Port.

ARTICLE 7 - Utilities

Toyota shall pay for all water, heat, light, fuel, electricity, power, gas and other utilities which may be furnished to or used in or upon the premises as described in Article 1 by Toyota during the term of this Lease and Agreement. The amounts paid hereunder shall not be applied against minimum sums due under Article 3.

Year. For the first Lease Year of this Lease and Agreement, the parties agree that the average weight per automobile for the purposes of computation of the Receiving Area rental fee per automobile shall be one and five one-hundredths (1.05) tons.

3. Receiving Area Rental Minimum: In no event shall the Receiving Area fee for any Lease Year be less than Twenty-five Thousand (\$25,000) Dollars.

4. Rental Fee for Cargo Other Than Automobiles: For cargo other than automobiles discharged by Toyota at the premises, Toyota shall pay a rental fee of \$1.00 per ton, and any rental fee so billed shall apply against the Receiving Area rental fee minimum.

C. Service and Rail Area: For use of the Service and Rail Area described above in Article 1-A-3, Toyota agrees to pay the Port rent of Two Thousand Five Hundred (\$2,500) Dollars per month for the term of this Lease and Agreement.

ARTICLE 4 - Reports and Payments

Toyota shall deliver to the Port a copy of each ship manifest promptly after vessel discharge or other documentation evidencing cargo discharged.

ARTICLE 8 - Maintenance

A. Dock Area:

1. Toyota shall keep the premises clean and orderly.
2. Toyota shall promptly repair any damage to the premises caused by Toyota, its designees or assignees.
3. The Port shall perform all other maintenance required in the Dock Area.

~~B. Receiving Area: Toyota shall keep the premises clean and orderly and shall make all repairs and perform all maintenance required during the term of this Lease and Agreement whether structural, operational or otherwise.~~

~~C. Service and Rail Area: Toyota shall keep the premises clean and orderly and shall make all repairs and perform all maintenance required during the term of this Lease and Agreement whether structural, operational or otherwise.~~

ARTICLE 9 - Fire, Lightning & Extended Coverage Insurance

The Port shall keep all the premises excluding the Auto Dock insured (in an amount equal to their fair market value) against fire and other risks covered by a

standard fire insurance policy with an endorsement for extended coverage. The Port shall determine the cost of such insurance to the premises, buildings, facilities, and improvements and Toyota shall reimburse the Port for the cost of said insurance annually. The Port shall provide reasonable evidence of insurance expenses allocable to Toyota upon request. Under the Port's existing insurance policies, it has the right and privilege to waive subrogation rights of underwriters on said policies against Toyota. The Port covenants and agrees that so long as said privilege of waiver provision is in force in said policies, it shall, and hereby does, waive subrogation rights against Toyota with respect to perils insured against under said policies.

ARTICLE 10 - Indemnity

It is an express condition of this Lease and Agreement that the Port, its Commissioners, officers, agents and employees shall be free from any and all liabilities and claims for damages and/or suits for or by reason of any death or deaths of or any injury or injuries to any person or persons or damages to property of any kind whatsoever, whether the person or property of Toyota, its agents or employees, or third persons, from any cause or causes whatsoever while in or upon said premises or any part thereof during the term of this Lease and Agreement or occasioned by any occupancy or use of said premises or any activity carried on by Toyota in connection therewith, and Toyota hereby covenants and agrees to indemnify, defend and to save harmless the Port, its Commissioners, officers, agents and employees from all liabilities, charges, expenses (including attorney fees and attorney fees on appeal)

and costs on account of or by reason of any such death or deaths, injury or injuries, liabilities, claims, suits or losses however occurring, or damages growing out of same; provided, however, that the preceding provisions of this paragraph shall not apply to personal injuries, including death, and/or property damage resulting from the sole negligence of the Port, its officers, agents, employees or its invitees in the exercise of Port's rights to use or assign others to use the premises described as the Dock Area in Article 2 hereof.

ARTICLE 11 - Liability Insurance

Toyota shall maintain in force during the term of this Lease and Agreement public liability and property damage insurance in a form and with a company acceptable to the Port in not less than the sum of Five Hundred Thousand (\$500,000) Dollars for injury to or death of any one person, and in the sum of One Million (\$1,000,000) Dollars for injury to or death of more than one person, and in the sum of Five Hundred Thousand (\$500,000) Dollars for damages to property. As a minimum the insurance coverage shall be not less than that contained in a standard comprehensive liability policy including automobile, products, and contractual liability. The contractual liability shall recognize and include the indemnity provisions of this Lease and Agreement.

Said insurance shall include a policy endorsement which shall provide that the insurance will not be cancelled or reduced without at least thirty (30) days prior written notice to the Port and to Toyota. A certificate or certificates

evidencing such insurance coverage shall be filed with the Port prior to the commencement of the term of this Lease and Agreement, and said certificate(s) shall have attached a copy of the policy endorsement which provides that such insurance will not be cancelled or reduced without at least thirty (30) days prior written notice to the Port. At least thirty (30) days prior to the expiration of any such policy Toyota shall file with the Port a certificate showing that such insurance coverage has been renewed or extended.

At least fifteen (15) days prior to the effective date of any cancellation or reduction of coverage, Toyota shall file with the Port a certificate showing that the required insurance has been reinstated or provided through another insurance company or companies. Notwithstanding any other provision of this Lease and Agreement to the contrary, upon failure to so file such certificate(s), the Port may without further notice cancel and terminate this Lease and Agreement and exercise other rights as it may have in the event of Toyota's default.

ARTICLE 12 - Workman's Compensation and Longshore and Harbor Worker's Act Coverage

Toyota shall maintain in force during the term of this Lease and Agreement Workman's Compensation Insurance including coverage for liability arising out of the Longshoremen's and Harbor Worker's Compensation Act. A certificate or certificates evidencing such insurance coverage shall be filed in the same manner as required by Article 11.

ARTICLE 13 - Marine Insurance

The Port shall keep the Auto Dock insured against risks covered by a standard marine insurance policy.

ARTICLE 14 - General Provisions

A. Security of Premises: Toyota shall assume complete responsibility for security of the premises and goods thereon except that Toyota shall not have responsibility for the security of cargoes belonging to third parties using the premises pursuant to rights reserved for the Port its designees or assignees under Article 2. The Port assumes no liability or responsibility for loss or damage to the property under control of or handled by Toyota or personal property under the control of Toyota, whether caused by fire or other causes. Toyota covenants and agrees to waive any and all claims against Port in connection with such loss or damage, and further covenants and agrees to waive subrogation rights of its underwriters in connection with such loss or damage. The Port assumes no liability for the security of the premises, but reserves the right to police the use of the premises as to fire or other hazard without assuming responsibility or obligation in connection therewith. The Port assumes no responsibility for the handling of or placement of insurance upon any cargo moving over the premises.

B. Damage or Destruction of Premises: If the floating dock or other property of any type or nature within the Dock Area is damaged or destroyed by fire or other casualty, the Port shall promptly repair, rebuild, replace or restore the property damaged or destroyed to substantially the same condition as existed prior to the occurrence of such damage or destruction provided, however, that if the improvements within the Dock Area are more than 50% damaged or destroyed within the last five (5) years of this Lease and Agreement or more than 25% damaged or destroyed within the last two (2) years the Port shall have the option to terminate this Lease and Agreement or repair, rebuild, replace or restore the damaged or destroyed property. The percentage of damage or destruction shall be determined by comparing the cost of repair, rebuilding or restoration of the damaged or destroyed property with the fair market value of the same property immediately prior to the damage or destruction.

Termination shall be made in writing by Port to Toyota and shall be effective as of the date the damage or destruction occurred. In the event the Port terminates this Lease and Agreement pursuant to the terms of this Article, Toyota shall not be liable for further payments accruing after the date of damage or destruction, and the proceeds of insurance upon the premises shall be the sole property of the Port. If the Port rebuilds, repairs, replaces or restores the Dock Area the minimum annual guarantee as set forth in Article 3 shall be reduced by a pro rata amount according to the period during the Lease Year that the premises are unusable.

- C. Utility Lines and Easements: The Port reserves the right to locate, construct, install and maintain sewers, utilities and transit tubes upon and across the premises at locations which do not unreasonably interfere with Toyota's use of the premises.
- D. Taxes: Toyota agrees to pay all lawful taxes and assessments which during the term hereof or any extension as provided for herein may become a lien or which may be levied by the State, County, City, or any other tax levying body upon the premises herein or upon any taxable interest by Toyota acquired in this Lease and Agreement, or any taxable possessory right which Toyota may have in or to the premises or facilities herein set forth or the improvements thereon, by reason of its occupancy thereof, or otherwise, as well as all taxes on taxable property, real or personal, owned by Toyota in or about said premises.
- E. Assignment and Subletting: Toyota shall not, either directly or indirectly, assign, hypothecate, encumber or transfer this Lease and Agreement or any interest therein, or sublet the whole or any part of the premises, or license the use of same in part without written consent of the Port.
- F. Liens and Encumbrances: Toyota shall keep the premises free and clear of all liens and encumbrances arising or growing out of its use of said premises.

- G. Notices: Any notice permitted or required to be served upon Toyota may be served upon it at ^{their} home office located at 2655 West 195th Street, Torrance, California, 90509; provided, however, that if Toyota shall give notice in writing to the Port of any change in said address, then and in such event such notice shall be given to Toyota at such substituted address. Any notice permitted or required to be served upon the Port may be served upon it at P. O. Box 3529, Portland, Oregon 97208; provided, however, that if the Port shall give notice in writing to Toyota of any change in said address, then and in such event such notice shall be given to the Port at such substituted address.

It is understood and agreed that such service of notice upon Toyota shall be effective for all purposes of this Lease and Agreement.

- H. Qualification to Do Business in Oregon: It is expressly understood and agreed that Toyota is and shall continue to be during the term of this Lease and Agreement legally qualified to do business in the State of Oregon.
- I. Integration: This Lease and Agreement constitutes the entire agreement between the Port and Toyota. There are no terms, obligations or conditions other than those contained herein. No modification or amendment of this Lease and Agreement shall be valid and effective unless evidenced by an agreement in writing.

- J. Title to Improvements: It is understood and agreed that title to all improvements of any kind constructed upon the premises by the Port shall vest and remain in the Port.
- K. Signs: Signs or placards of an advertising or promotional nature may be painted, inscribed or placed in or on the premises or any building or structure located thereon with the prior written consent of the Executive Director of the Port.
- L. Rules, Regulations and Laws: Toyota agrees to comply with all applicable rules and regulations or ordinances of the Port pertaining to the premises or any buildings or structures located thereon either now in existence or hereafter promulgated for the general safety and convenience of the Port, its tenants, invitees, licensees and the general public. Toyota further agrees to comply with all applicable Federal, state and municipal laws, ordinances and regulations and Toyota further agrees to indemnify and hold harmless the Port, its Commissioners, officers, agents and employees from any liability or penalty which may be imposed by governmental authorities by reason of any asserted violation by Toyota or its agents of the foregoing.
- M. Termination by Court Decree: In the event that any court having jurisdiction in the matter shall render a decision which has become final and which will prevent the performance by the Port of any of its obligations under this Lease and Agreement, then either party hereto may terminate

this Lease and Agreement by written notice; and all rights and obligations hereunder (with the exception of any undischarged rights and obligations that accrued prior to the effective date of termination) shall thereupon terminate. If Toyota is not in default under any of the provisions of this Lease and Agreement on the effective date of such termination, any payments prepaid by Toyota shall, to the extent allocable to any period subsequent to the effective date of the termination be promptly refunded to Toyota and all further obligations of the parties shall end except as to liabilities which shall theretofore have accrued and, specifically (but without limitation of the generality of the foregoing statement) Toyota shall be relieved of any further obligation to make any payments which would have become due after the effective date of such termination.

- N. Condition and Surrender of Premises: The taking possession of the premises by Toyota, initially and in the event of relocation thereof, shall in itself constitute acknowledgment that the premises, buildings, improvements, structures and facilities thereon are in good and usable condition. Toyota covenants and agrees that at the expiration of this Lease and Agreement or in the event of relocation it will quit and surrender the premises or the portion thereof which has been withdrawn as the case may be, together with all the improvements, buildings, structures and facilities thereon in as good state and condition as the same were at the commencement of occupancy or use by Toyota, excepting reasonable wear and tear as determined by the Port.

- O. Waivers: No waiver by either party at any time of any of the terms, conditions, covenants or agreements of this Lease and Agreement shall be deemed or taken as a waiver at any time thereafter of the same or any other term, condition, covenant or agreement herein contained, nor of the strict and prompt performance thereof by the proper party.
- P. Labor Disruption: In the event of a strike or other labor disturbance which prevents the movement of cargo to the leased premises, and upon written notification from Toyota to the Port indicating the effective date of such strike or disturbance, the minimum rentals referred to in Article 3 of this Lease and Agreement shall be reduced on a pro rata basis by the ratio of the period of stoppage, less thirty (30) days, to a full Lease Year. In the event a stoppage continues beyond a single Lease Year, the full period of such stoppage in the succeeding Lease Year shall be used in determining the ratio to be used in computing the reduction of the minimum rentals in the succeeding Lease Year. In no event, however, shall the minimum rentals be reduced by more than 25% for any Lease Year.
- Q. Default: This Lease and Agreement is made upon the condition that if the payments, rents or other sums which Toyota herein agrees to pay, or any part thereof, shall be unpaid on the date on which the same shall become due, or if default be made in any of the terms, agreements, conditions or covenants herein contained on the part of Toyota, or should Toyota abandon and cease to use the premises for a period of sixty (60) days at any one time except when prevented by strikes, fire, or other casualty beyond its

control, then and in such event, at the option of the Port, this Lease and Agreement may be terminated and the Port may exercise all rights of entry and re-entry upon the premises. Toyota shall not be considered in default as to any provisions of this Lease and Agreement where such default is the result of, or pursuant to, any process, order or decree of any court or regulatory body. No default shall be declared by the Port as to any breach which may be cured or obviated by Toyota until the expiration of thirty (30) days after written notice by the Port to Toyota of such default and if, during such thirty (30) day period, such default shall have been cured or obviated; provided, that only five (5) days' written notice shall be required in the case of a default in the payment of compensation or other sums herein provided to be paid by Toyota; and provided further, that, except for failure to pay any sums of money when due, no default shall be declared by the Port if Toyota shall commence to cure or obviate such default prior to the expiration of such notice period and shall prosecute such work to completion with reasonable diligence, even though performance of such term, agreement, condition or covenant shall not have been effected or completed strictly within the period during which the same should have been effected or completed.

- R. Applicable Law: It is expressly understood and agreed that this Lease and Agreement and all questions arising thereunder shall be construed according to the laws of the State of Oregon and the United States of America.

- S. Continuation of Lease and Agreement: Upon the expiration of the original term of this Lease and Agreement as set forth in Article 5 hereof, this Lease and Agreement shall continue in full force and effect from year to year, upon the same terms and conditions as herein provided, subject to cancellation and termination, however, by either party upon giving to the other party three (3) months' prior written notice of its intention to cancel and terminate this Lease and Agreement.
- T. Force Majeure: In the event that Toyota's operations upon the premises are required to be suspended by war, governmental decree or condemnation, this Lease and Agreement shall terminate and each party shall be relieved of all further obligation thereunder except as to any obligation which shall have accrued prior to such termination. All damages awarded for the taking of any real property or improvements shall belong to, and be the property of, the Port. It is understood and agreed that in the event of any appropriation or taking by condemnation, Toyota shall have no claim against the Port for loss of use and occupancy of the premises or the part appropriated or taken. Nothing contained herein shall deprive or deny Toyota such lawful claims which Toyota may have against the condemning authority for expenses of moving or other claims not inconsistent with Port's claims as owner of the real property and improvements.
- U. Headings: The Article and Section headings contained herein are for convenience and reference and are not intended to define or limit the scope of any provision of this Lease and Agreement.

V. FMC Approval: This Lease and Agreement shall not be effective until approved, if approval is required, by the Federal Maritime Commission pursuant to Section 15 of the Shipping Act, 1916, as amended. The Port shall cause a copy of this Lease and Agreement to be promptly filed with the Federal Maritime Commission. Upon the Port being notified by the Federal Maritime Commission that this Lease and Agreement has been approved or that such approval is not required, the Port shall notify Toyota and this Lease and Agreement shall be effective as of the first day of the month following the month in which such notice is given. If the Federal Maritime Commission determines that such approval is required and disapproves this Lease and Agreement, this Lease and Agreement shall be of no force or effect. The foregoing shall also apply to each amendment hereto if this Lease and Agreement is approved pursuant to Section 15, Shipping Act, 1916, as amended.

W. Interest in Property Created: The Port and Toyota agree that the interest created by this Lease and Agreement in the property described under Article I is and shall be a leasehold interest in said property and that Toyota shall not have a leasehold interest in any other property described in this Lease and Agreement.

IN WITNESS WHEREOF, the parties hereto have subscribed their names this 24th day of January, 1972.

TOYOTA MOTOR SALES, U.S.A., INC.

THE PORT OF PORTLAND

By

D. Kodaira

By

John S. Smith

By

S. J. Fallon

By

E. Westendorp

S. J. Fallon

RECEIVED

APR 23 8 48 AM 1971
INDEMNITY AGREEMENT

THE PORT OF
PORTLAND

The undersigned, BRADY-HAMILTON STEVEDORE COMPANY, an Oregon corporation, for and in consideration of the granting of a month-to-month lease of a portion of the Auto Services Building at Terminal 4 for use as a gearlocker, and other good and valuable consideration, for itself, and for its successors and assigns, agrees to defend, indemnify and hold harmless The Port of Portland, a municipal corporation, its officers, agents, employees, successors and assigns, from and against any and all loss, liability, damage, claims, demands and actions (including all expenses connected therewith, and attorneys' fees and costs) for bodily injury to persons, including death, or damage to property, except the leased property, resulting directly or indirectly or arising out of, or in any way connected with the leased premises, or resulting directly or indirectly or in any way connected with operations on, or use of, the said leased premises by BRADY-HAMILTON STEVEDORE COMPANY or its agents, contractors, servants, employees or licensees.

IN WITNESS WHEREOF, the undersigned has executed this instrument and affixed its corporate seal on this day of , 1971.

BRADY-HAMILTON STEVEDORE COMPANY

By




EXHIBIT 'A' TO LETTER OF APRIL 21, 1971

POPT4ASA100001031

DUPLICATE

FEB 25 1986

22898

NORTH LOMBARD STREET & NORTH ROBERTS AVENUE

STORM SEWER AGREEMENT

THIS AGREEMENT, made and entered into by and between the City of Portland ("City"), a municipal corporation of the State of Oregon, by and through its City officials, and the Port of Portland ("Port"), a municipal corporation of the State of Oregon, by and through its Board of Commissioners.

R E C I T A L S

1. The Port and the City propose to jointly construct a storm sewer system for North Lombard Street, North Roberts Avenue, and adjacent properties within an established drainage boundary, hereinafter called "Project." The scope of the Project is substantially as shown in the attached Exhibit A. The boundary includes the present St. John's Auto Wrecking yard site and other properties owned by the Port; and

2. The Port has entered into an agreement with Toyota Motor USA to purchase the present St. John's Auto Wrecking facility and provide Toyota Motor USA with a fully improved expansion site by September 1, 1986. The Toyota expansion site improvements include storm drainage improvements which must connect into the Roberts Avenue storm sewer system which is a part of the Project; and

3. The Port has entered into an agreement with Harvest Homes to jointly improve North Roberts Avenue which includes the provision of storm drainage by October 1, 1986; and

4. Much of the proposed storm sewer system in the Project will be constructed on Port property under easement agreements with the Port; and

5. The Project is a necessary part of the Toyota yard expansion and the Roberts Avenue improvements;

NOW, THEREFORE, City and Port agree to jointly construct the Project according to the following terms and conditions:

ARTICLE I - CITY OBLIGATIONS

1. The City shall provide engineering and construction services consisting of design, survey, easement descriptions, construction engineering and inspection, materials testing, public and private utility coordination, awarding contracts, and administering all construction contracts for the Project in accordance with the City of Portland's engineering design and construction specifications and practices.

2. The City and the Port will share equally in the actual cost of the City's engineering and construction services which shall not exceed \$99,000. Actual cost shall include direct salary costs, fringe

benefits, direct non-salary costs, indirect costs, and general overhead as stated in Exhibit B. The City shall bill the Port not more frequently than monthly for the Port's portion (50 percent) of the engineering and construction services.

3. The City shall contribute a maximum amount of \$185,000 towards the storm sewer construction as set forth in the Project authorization in Article IV herein. Upon completion of the construction and final acceptance, the storm sewer improvements will be owned and maintained by the City and the Port will have no authority in or obligation to maintain the facilities produced under this Agreement.

4. The City shall pay the contractor's progress payments up to the City contribution (\$185,000) and withhold the appropriate retainage. After the City contribution has been met, the City agrees to provide the Port with invoices identifying the payment made to date on the contract by the City and the Port, retainage to date withheld by both the City and the Port, and the amount due by the Port. The Port shall pay the amount due promptly to the extent that payments are required to be paid to the contractor that are over and above the costs as determined by the Project authorization in Article IV. The parties shall determine their respective proportionate share of all extra costs. Any disputes regarding a partial share of the extra costs shall be submitted to arbitration pursuant to Article III(2).

5. The City shall appoint a single project manager who shall communicate with the Port. This individual shall have authority through the City Engineer to approve all staffing and expenditures on the project. This individual shall be responsible for controlling expenditures and performing all coordination required of the project.

6. The City shall schedule and conduct a predesign meeting with Port before beginning design work in order to review the project scope, schedule and Project authorization; City policies, standards and specifications; appropriate design, review, inspection, approval, and acceptance process; and any special project conditions or circumstances.

7. Upon acceptance of all work, the City shall prepare Certificates of Completion and two sets of reproducible as-built plans, one of which shall become property of the Port. A copy of the Certificate of Completion shall be furnished to both the contractor and the Port.

8. The City shall use its best efforts in maintaining the Project schedule which is directly related to the Toyota yard completion date of September 1, 1986, and the North Roberts Avenue completion date of October 1, 1986. The Project (storm sewer) schedule is shown below:

Port Commission approval

November 13, 1985

City Council approval

February 19, 1986

Start design	December 2, 1985
Complete design	February 7, 1986
Port/City review	February 10, 1986
Advertisement date	February 26, 1986
Open bids	March 21, 1986
City Council bid award	April 2, 1986
Notice to Proceed	May 1, 1986
Complete Project Construction	September 1, 1986

9. The construction specifications shall require the contractor to complete construction in North Roberts Avenue at the earliest possible date and to coordinate with the contractor performing street improvements work within North Roberts Avenue. Changes in the schedule shall be through mutual agreement of both parties and approved by the respective project managers.

10. The City, through its project manager, shall have the authority to approve contract change orders or other unanticipated costs without prior Port approval up to a maximum of \$1,000, provided that the sum of said change orders and other unanticipated costs do not exceed the project contingency amount.

11. In the event that the parties' financial commitments as set forth in the Project authorization in Article IV are insufficient to complete the Project, the City shall notify the Port at least 30 days before the actual Project commitments reach the joint Project

authorization. This notification shall be in writing and shall address the reasons for the requirement to change and give the amount required to complete the Project. The parties shall determine their respective proportionate share of the extra costs. Any disputes regarding a party's share of the extra costs shall be to arbitration pursuant to Article III(2).

ARTICLE II - PORT OBLIGATIONS

1. The Port shall promptly pay all construction cost as set forth in the joint Project authorization in Article IV herein, after the City's contribution of \$185,000 has been paid. The Port shall further pay one-half of the City's actual cost for engineering and construction services as set forth in Article IV upon receipt of City's bills for same, provided however that the cost of City's services shall not exceed \$99,000.

2. The Port shall appoint a single project manager who shall communicate with the City. This individual shall perform all Port coordination required on the Project, including but not limited to, review and approval of change orders in excess of \$1,000, related time extensions, and extra work agreements in a timely manner.

3. The Port shall provide the City with all available preliminary design and survey information and previous soils investigation reports.

4. The Port shall, at no cost to the City, convey easements for the construction of storm sewer lines on Port property. All easements shall allow industrial use of the easements similar to Port activities on other Port property with the exception that no permanent structures shall be allowed.

5. The Port shall review and approve in a timely fashion all plans and specifications for the Project prepared by the City.

6. The Port shall be given an opportunity to review the City project manager's recommendations to the City Council for award of a contract to the lowest responsible bidder.

7. In order to avoid delays in making payment to the contractor, the Port agrees to make payment to the City no later than ten (10) business days from the date the invoice is received by the Port. If the City incurs interest charges or any penalties for late payment required by Oregon law or the contract with the contractor which are caused by the Port's delay in making payment, such interest charges or late penalties shall be the responsibility of the Port.

ARTICLE III - GENERAL PROVISIONS

1. Liability: Port shall hold harmless and indemnify the City and its officers, agents, and employees against any and all liability, settlements, loss, costs, and expenses in connection with any actions, suite, or claim arising out of Port's work under this Agreement. City

shall hold harmless and indemnify the Port and its officers, agents, and employees against any and all liability, settlements, loss, costs, and expenses in connection with any actions, suit, or claim arising out of City's work under this Agreement.

2. Arbitration: Any controversy arising out of or relating to this Agreement which cannot be satisfactorily settled by mutual conference shall be settled by arbitration. Within fifteen (15) days following execution of this Agreement, the parties shall mutually appoint a single arbitrator who will settle all disputes between the parties related to design and construction of the Project and any other controversy that arises out of this Agreement in a timely manner. If agreement cannot be reached within the fifteen (15) day period, the presiding judge of the Circuit Court for Multnomah County shall be asked to appoint an arbitrator. The parties shall share equally all arbitration costs and expenses incurred. The decision of the arbitrator shall be final.

3. Equal Employment Opportunity: In connection with the execution of this Agreement, the City shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age, or national origin. The City shall take affirmative actions to ensure the applicants are employed and that employees are treated during the employment without regard to their race, religion, color, sex, age, or national origin. Such actions shall include, but not be limited to, the following: employment, upgrading, demotion, or

transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.

4. Termination for Convenience: The Port may terminate this Agreement in whole or in any part at any time up until the City has awarded the construction contract by written notice to the City. In the event of such a termination prior to the award of the construction contract, Port shall pay one-half the City's costs incurred at the time the notice was served. Port may not elect to terminate for convenience after the City has awarded the construction contract. If after termination by the Port pursuant to this section the City has any property in its possession belonging to the Port, the City will account for it and dispose of it in the manner the Port directs.

5. Default; Termination for Default:

- (a) If either party fails to perform in a manner called for in this Agreement, or fails to comply with the terms and provisions of this Agreement, the other party may notify the non-complying party in writing of such alleged default. The non-complying party shall have ten (10) days after receiving such notice within which to initiate good faith action to cure the alleged default; provided, however, that if the non-complying party contests the alleged default it may give written notice of such contest to the other party within the ten (10) day period. In that event, the parties shall

submit to arbitration pursuant to Article III(2), the controversy as to whether there is a default the parties shall be entitled to continue the project during the pendency of the contest over default. If the arbitrator finds that the alleged default occurred, the non-complying party shall have ten (10) days from the date of the arbitrator's decision to initiate good faith curative action. Failure of the non-complying party to initiate good faith action to cure non-compliance within the prescribed periods shall be an event of default.

- (b) Upon default, the non-defaulting party may choose to:
 - (i) recover all damages caused by the default (including, but not limited to, attorneys' fees);
or
 - (ii) terminate this Agreement if the default renders either party incapable of materially performing under this Agreement.
- (c) In the event the Port terminates the Agreement because of a default by the City, City shall be paid for the cost of services performed in accordance with the manner of performance, terms, and conditions set forth in this Agreement.

(d) If the City has an excusable reason for not performing, such as a strike, fire, flood, or events which are not the fault of, or which are beyond the control of, the City, the parties shall set up a new performance schedule to allow the project to continue or may mutually agree to terminate the contract.

ARTICLE IV - PROJECT AUTHORIZATION

The parties jointly authorize the following financial commitments to this project:

Storm sewer construction	\$495,000
City engineering and construction services	<u>99,000</u>
	\$594,000

The Port's obligation is as follows:

Storm sewer construction	\$310,000
City engineering and construction services	<u>49,500</u>
	\$359,500

The City's obligation is as follows:

Storm sewer construction	\$185,000
City engineering and construction services	<u>49,500</u>
	\$234,500

The joint Project Authorization shall not exceed the above amounts, unless agreed to in writing by both parties.

Dated: FEBRUARY 25, 1986

CITY OF PORTLAND

By Dick Bogle

Name: Dick Bogle

Title: Commissioner of Public Works

APPROVED AS TO FORM:

Deuse Francis
City Attorney

01/08/86
3354L:47M378

THE PORT OF PORTLAND

By Charles J. Rogers
President

By Paul A. Underwood
Assistant Secretary

APPROVED AS TO LEGAL SUFFICIENCY:

M. Brian Flanagan
Counsel for
The Port of Portland

APPROVED BY COMMISSION:
November 13, 1985

158230

EXHIBIT A
SCOPE OF WORK
NORTH LOMBARD STREET & NORTH ROBERTS AVENUE
STORM SEWER

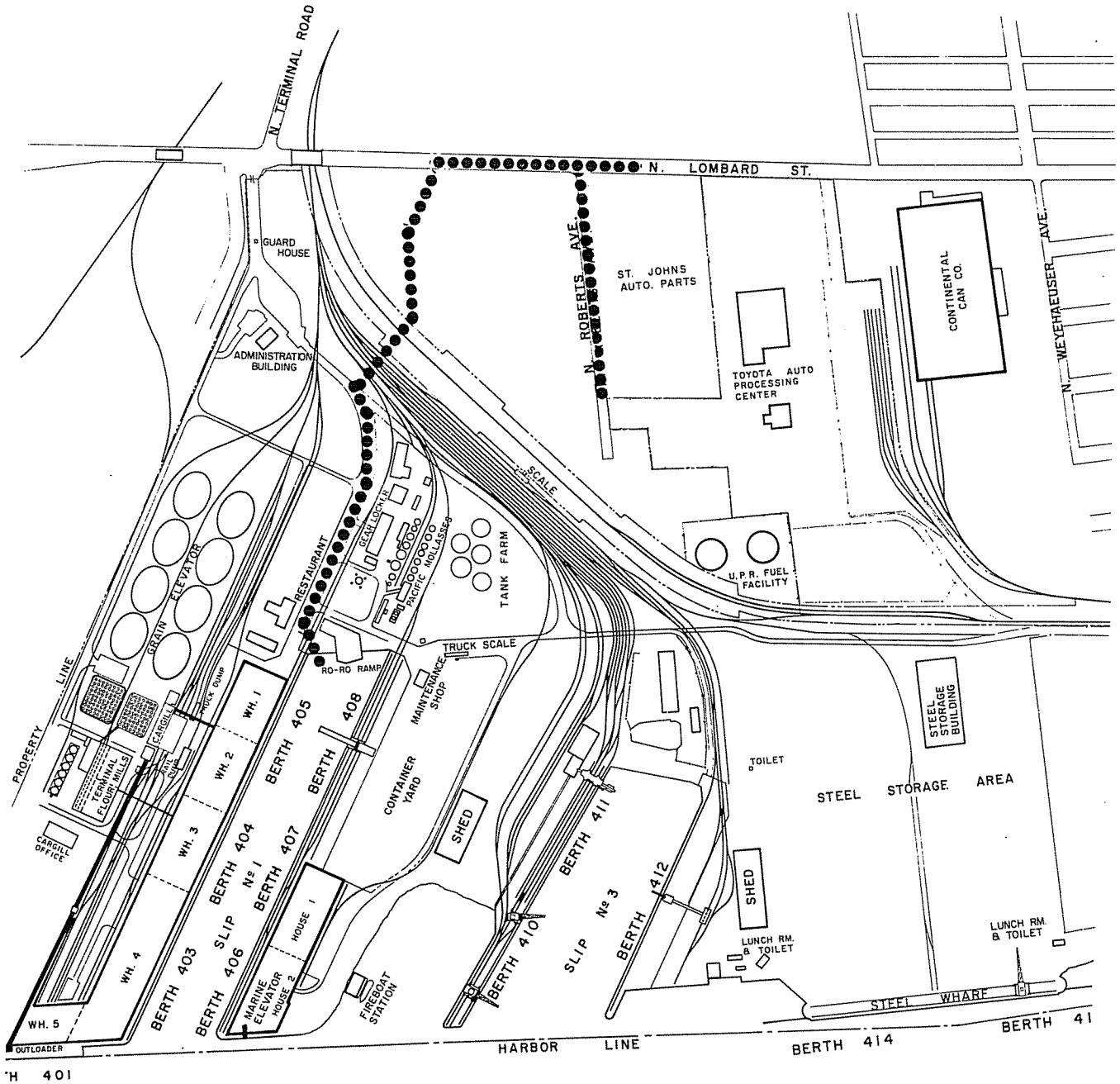
INTERAGENCY AGREEMENT

The City of Portland shall provide the necessary equipment and personnel to perform the following work:

- o Preliminary design
- o Surveying
- o Design
- o Contract preparation (COP standards)
- o Bidding
- o Construction Administration
- o Inspection

This work is to be directed toward the following improvements:

- o 450' of 15" CSP
- o 200' of 18" CSP
- o 400' of 21" CSP
- o 290' of 24" CSP
- o 300' of 30" CSP
- o 1,100' of 36" CSP
- o 150' of 42" CSP Jacked under RR tracks
- o 1,430' of 42" CSP
- o 6 - 60' manholes
- o 3 - 84" manholes
- o 1 - outfall
- o 1 - abandon sump
- o 1 - pavement restoration



Port of Portland

TERMINAL No 4

WILLAMETTE RIVER

..... PROPOSED STORM SEWER

SCALE OF FEET

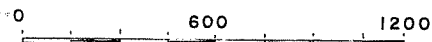


EXHIBIT B
CITY OF PORTLAND COSTS

1. Direct Salary Costs and Fringe Benefits

The costs of salaries, wages, and fringe benefits shall be determined as follows:

Actual time computed at the applicable hourly payroll rate and fringe benefit earned with actual time. The City's salary rate for any time period shall be as set out in the official City Compensation Plan or as amended by the City Council for the particular period.

2. Direct Nonsalary Costs

Those costs directly incurred in fulfilling the terms of this Agreement, including, but not limited to, reproduction, supplies, equipment rental, and purchase of outside services.

3. Indirect Costs

The City shall recover indirect costs through application of Title 5, Section 5.48.030, Accounting Procedure, of the "Code of the City of Portland, Oregon, 1984."

12/30/85

3354L:47M378



Permit Number: _____

Date Issued: _____

PERMIT AND RIGHT OF ENTRY

PERMITTEE:

Portland Shipping Club
(Full Legal Name)

c/o Del Allen

Allports Forwarding, Inc.

215 NW Park Avenue

Portland, OR 97209

Ph: 503-242-1201/ FAX: 503-242-1712

PORT CONTACT:

Denise Ragland

Manager, T-2 & T-4

Phone: 503-944-7206

FAX: 503-

RECITALS

A. The Port of Portland (the "Port") is the owner of certain property known as Terminal 4, Warehouse 7, located in the City of Portland, Multnomah County, Oregon, including certain property more precisely described in Section 2 below.

B. Permittee wishes to utilize Warehouse 7 for the purpose of holding the Shipping Club's annual "Clam Feed" event with an expected attendance of around 200 people.

NOW, THEREFORE, in consideration of the promises and covenants contained in this Permit and in consideration for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. GRANT OF RIGHT TO USE PREMISES

The Port hereby grants to Permittee the right to enter upon and use the below-described Premises in accordance with the terms and conditions set forth below:

2. PREMISES

The Premises shall be an area commonly known as Terminal 4, Warehouse 7 and as more particularly shown on Exhibit "A" attached to this Permit and Right of Entry (this "Permit").

approximately 150 cars, and clean-up afterwards (the "Permitted Uses"). Permittee shall use the Premises solely for the purposes set forth in this Permit.

4. SPECIAL CONDITIONS

None

5. TERM OF PERMIT

The term of this Permit shall for two days, October 6 and 7, with the actual event occurring on October 7 from 4 p.m. until 8 p.m., unless otherwise terminated pursuant to the terms of this Permit. Notwithstanding any provision contained herein, the Port or its authorized representative may terminate this Permit and Right of Entry at any time, verbally or in writing, at its convenience or for Permittee's default. If Permittee holds over after this Permit terminates, Permittee shall be deemed a day-to-day holdover tenant or a tenant at sufferance, at the Port's sole discretion. In the event the Port deems Permittee as a holdover tenant, Permittee shall remain bound by this Permit. Such a tenancy may be terminated at any time.

6. SPECIAL INSURANCE REQUIREMENTS

None

7. COMPENSATION TO BE PAID BY PERMITTEE

None

8. PORT'S RIGHT TO TERMINATE

Without limiting any other rights of the Port under this Permit or at law or in equity, the Port may terminate this Permit for Permittee's default. Upon notice of termination, the Permittee shall immediately leave the Premises. Permittee's obligations and liability to the Port shall survive termination. Unless waived by the Port, the Permittee shall restore the Premises as required in Section 20.

9. INDEMNITY; REIMBURSEMENT FOR DAMAGE

Permittee, which for the purposes of this Section 9 shall include Permittee's partners, officers, directors, agents, employees, contractors or caterers, agrees to defend (using legal counsel acceptable to the Port), indemnify, and hold harmless the Port from and against, and reimburse the Port for, any and all actual or alleged claims, damages, expenses, costs, fees (including, but not limited to, attorney, accountant, paralegal, expert, and escrow fees), fines, and/or penalties

occurring on the Premises; (c) any breach, violation or nonperformance of any of Permittee's obligations under this Permit; (d) any damage caused by Permittee on or to the Premises. For purposes of this Section 10, "Permittee" shall be deemed to include Permittee and Permittee's assigns and all respective partners, officers, directors, agents, employees, invitees and/or contractors.

10. NO BENEFIT TO THIRD PARTIES

The Port and Permittee are the only parties to this Permit and as such are the only parties entitled to enforce its terms. Nothing in this Permit gives or shall be construed to give or provide any benefit, direct, indirect, or otherwise to third parties unless third persons are expressly described as intended to be beneficiaries of its terms.

11. INSURANCE

In addition to any special insurance requirements, Permittee shall maintain an occurrence form commercial general and automobile liability insurance policy or policies for the protection of Permittee and the Port insuring Permittee against liability for damages because of personal injury, bodily injury, death, or damage to property, including loss of use thereof, and occurring on or in any way related to this Permit or occasioned by reason of operations of the Permittee on or from the Premises. The insurance required by this Section shall include coverage for independent contractors and broad form contractual liability and shall have limits of not less than \$1,000,000 combined single limit per occurrence for bodily injury and property damage. Such insurance shall name the Port, its commissioners, directors, officers, and employees as additional insureds. The coverage provided by this policy shall be primary and any other insurance carried by Port is excess. Permittee shall maintain in force Workers' Compensation insurance, including coverage for Employer's Liability. If Permittee is a qualified self-insured employer, a copy of Permittee's Certificate of Compliance and a certificate of insurance evidencing excess workers' compensation and employer's liability insurance shall be forwarded to Port upon execution of this Permit.

12. TAXES

Permittee agrees to pay all lawful taxes and assessments which during the term hereof or any extension may become a lien or which may be levied by the state, county, city, or any other tax-levying body upon the Premises or improvements thereon, or upon any taxable interest of Permittee acquired in this Permit, or any taxable possessory right which Permittee may have in or to the Premises or the improvements thereon by reason of its occupancy thereof, as well as all taxes on all taxable property, real or personal, owned by Permittee in or about said Premises.

14. ATTORNEY FEES

If suit or action is instituted in connection with any controversy arising out of this Permit, the prevailing party shall be entitled to recover in addition to costs such sum as the court may adjudge reasonable as attorney fees, or in the event of appeal as allowed by the appellate court.

15. WARRANTIES/GUARANTEES

The Permittee acknowledges that it has inspected the Premises and has found them to be completely acceptable and safe for Permittee's intended use. Port makes no warranty, guarantee, or averment of any nature whatsoever concerning the physical condition of the Premises, and it is agreed that Port will not be responsible for any loss, damage or costs which may be incurred by Permittee by reason of any such physical condition.

16. COMPLIANCE WITH LAW

Permittee shall comply with all applicable state, federal, and local laws, including but not limited to, City of Portland zoning ordinances and laws, rules, regulations, and policies concerning equal opportunity, nondiscrimination, Workers' Compensation, and minimum and prevailing wage requirements.

17. NOTICES

All notices required under this Permit shall be deemed properly served if personally served or sent by certified mail, return receipt requested, to the last address previously furnished by the parties hereto. Until hereafter changed by the parties by notice in writing, notices shall be sent to the parties at the addresses set forth below:

The Portland Shipping Club
c/o Del Allen
Allports Forwarding, Inc.
215 NW Park Avenue
Portland, OR 97209

The Port of Portland
P.O. Box 3529
Portland, OR 97208
Attn: Fay Malloy,
Marine Contracts Administrator

18. INSTALLATION OR CONSTRUCTION OF IMPROVEMENTS

No improvements shall be shall be constructed on the Premises without the Port's prior written consent.

19.1.1 Environmental Law

“Environmental Law” shall be interpreted in the broadest sense to include any and all federal, State of Oregon and local laws, regulations, rules, permit terms, codes and ordinances now or hereafter in effect, as the same may be amended from time to time, and applicable decisional law, which in any way govern materials, substances, regulated wastes, emissions, pollutants, animals or plants, noise, or products and/or relate to the protection of health, natural resources, safety or the environment.

19.1.2 Hazardous Substance

“Hazardous Substance” shall be interpreted in the broadest sense to include any and all substances, emissions, pollutants, materials, or products defined or designated as hazardous, toxic, radioactive, dangerous or regulated wastes or materials or any other similar term in or under any Environmental Law. “Hazardous Substance” shall also include, but not be limited to, fuels, petroleum and petroleum-derived products.

19.1.3 Environmental Cost

“Environmental Cost” shall be interpreted in the broadest sense to include, but not be limited to, costs and damages arising from or relating to: (i) any actual or claimed violation of or noncompliance with any Environmental Law; (ii) claims for damages, response costs, fines, fees or other relief relating to matters addressed in any Environmental Law; (iii) injunctive relief relating to matters addressed in any Environmental Law; (iv) Hazardous Substance Releases (as defined in Section 19.1.4); and (v) violations of any environmental provisions of this Permit. Costs and damages as used in this Section shall include but not be limited to: (a) costs of evaluation, testing, analysis, clean-up, remediation, removal, disposal, monitoring and maintenance; (b) costs of reporting to or negotiating with any government agency; (c) fees of attorneys, engineers, consultants, and experts, whether or not taxable as costs, incurred at, before or after trial, appeal or administrative proceedings; (d) lost revenue; and (e) diminution of value, loss, or restriction on use of property.

19.1.4 Hazardous Substance Release

“Hazardous Substance Release” shall be interpreted in the broadest sense to include the spilling, discharge, deposit, injection, dumping, emitting, releasing, leaking or placing of any Hazardous Substance into the air or into or on any land or waters, except as authorized by a then-current and valid permit issued under applicable Environmental Law.

19.2 General Environmental Obligations of Permittee

Permittee shall manage and conduct all of its activities on or relating to the Premises (i)

some of the following: Trade associations or professional associations for the particular business or industry group; the business or industry group's own standard operating procedures; those Best Management Practices specifically defined or identified for a particular business operation or industry group by regulatory agency guidelines. Permittee shall be responsible for ascertaining which Environmental Laws govern its activities on or relating to the Premises and shall be responsible for maintaining a current understanding of such Environmental Laws throughout the Lease Term. Permittee shall manage and, as appropriate, secure the Premises and its occupation or use of the Premises so as to prevent any violation of Environmental Law by any party on or relating to the Premises.

19.3 Use of Hazardous Substances

In conjunction with and in the ordinary course of the Permitted Uses, and without further written consent, other than that granted by this Section 19.3, Permittee shall be permitted to use, handle or store, for their intended purposes in accordance with all manufacturers' instructions, Hazardous Substances consisting of: (i) small quantities of ordinary janitorial, office and landscaping supplies available at retail; and (ii) petroleum-derived products fully contained within motor vehicles, to the extent reasonably and necessarily used in the course of Permittee's event.

19.4 Environmental Inspection

The Port reserves the right, at any time and from time to time, after notice to Permittee, to inspect the Premises and Permittee's operations on and use of the Premises: (i) for the presence of and/or Permittee's management of Hazardous Substances; (ii) for the purpose of sampling Permittee's stormwater discharge; (iii) for compliance with Environmental Law or the environmental provisions of this Permit and (iv) to facilitate the Port's environmental management, permitting and analysis related to the Premises or any other property of the Port.

19.5 Permittee's Liability

19.5.1 Hazardous Substance Releases

Except as provided in Section 19.5.3, Permittee shall be responsible for any Hazardous Substance Release which occurs during the duration of this Permit on the Premises. Permittee shall also be responsible for any Hazardous Substance Release on the Premises, on other properties, in the air or in adjacent or nearby waterways (including groundwater) which results from or occurs in connection with Permittee's occupancy or use of the Premises occurring during the duration of this Permit or occurring or continuing after the duration of this Permit.

19.5.2 Permittee's Liability for Environmental Costs

19.5.3 Limitation of Permittee's Liability

Notwithstanding anything to the contrary provided in this Permit, Permittee shall have no responsibility for Hazardous Substances or Hazardous Substance Releases, or Environmental Costs arising therefrom, that: (i) existed on the Premises prior to the effective date of this Permit (except if caused by Permittee or Permittee's agents, employees or contractors); or (ii) are caused by the Port or the agents, employees or contractors of the Port after the effective date of this Permit.

19.6 Environmental Remediation

19.6.1 Immediate Response

In the event of a violation of Environmental Law, a violation of an environmental provision of this Permit, a Hazardous Substance Release, or the threat of or reasonable suspicion of the same for which Permittee is responsible under this Permit, Permittee shall immediately undertake and diligently pursue all acts necessary or appropriate to cure or correct the violation or investigate, contain and stop the Hazardous Substance Release.

19.6.2 Remediation and Removal

Permittee shall promptly undertake all remedial and/or removal actions necessary or appropriate to ensure that any Hazardous Substance Release is eliminated and that any violation of any Environmental Law or environmental provision of this Permit is cured or corrected. Permittee shall remove, at Permittee's sole expense, all Hazardous Substances for which Permittee is responsible under this Permit or under any Environmental Law, and shall restore the Premises or other affected property or water to its precontamination condition. In the event that any remediation or removal required by this Permit cannot reasonably be completed prior to the termination or expiration of this Permit, Permittee shall not be in default of its remediation obligations as long as Permittee immediately commences all investigation, containment, remediation and removal activities within thirty (30) days (or sooner if required by Environmental Law) and diligently and continuously pursues such activities until completion.

19.6.3 Report to the Port

Within thirty (30) days following completion of any investigatory, containment, remediation and/or removal action required by this Permit, Permittee shall provide the Port with a written report outlining, in detail, what has been done and the results thereof.

19.6.4 Port's Approval Rights

Except in the case of an emergency or an agency order requiring immediate action, Permittee shall give the Port reasonable advance notice before beginning any

the Port's sole discretion. The Port will have the right to require Permittee to request oversight from the Oregon Department of Environmental Quality ("DEQ") of any investigatory, containment, remediation and removal activities and/or require Permittee to seek a statement from DEQ of "No Further Action."

19.7 Notice to the Port

Permittee shall promptly notify the Port upon becoming aware of: (i) a violation or alleged violation of any Environmental Law related to the Premises or to Permittee's occupation or use of the Premises or any environmental provision of this Permit; (ii) any Hazardous Substance Release, including pre-existing contamination on, under or adjacent to the Premises or threat of or reasonable suspicion of any of the same; (iii) any notice or communication from a governmental agency directed to Permittee and relating to any Hazardous Substance Release or any violation or alleged violation of Environmental Law which relate to the Premises or to Permittee's occupation or use of the Premises; and (iv) any Hazardous Substance Release or violation of Environmental Law discovered by Permittee on property or in the air or water adjacent to the Premises. If notice must be given on the weekend or after 5:00 p.m. on any day, Permittee shall notify the Port by calling the Port's emergency telephone number. That number currently is: (503) 240-2230.

19.8 Port's Right to Perform on Behalf of Permittee

In the event Permittee fails to perform any of its obligations under this Section 19 or under any Environmental Law, the Port shall have the right, upon giving Permittee seven (7) days written notice, to perform such obligations and charge Permittee the resulting Environmental Cost. The Port may not commence performance on behalf of Permittee under this Section 19.8, if within the seven (7) day notice period, Permittee promptly begins and diligently pursues to completion the performance of the obligations set forth in the Port's notice. In the event the Port determines that an emergency exists and the Permittee is unavailable, unwilling or unable to take immediate and appropriate action, the Port may take whatever immediate action it deems necessary and charge Permittee the resulting Environmental Cost.

20. DUTIES UPON TERMINATION

Upon termination of this Permit, Permittee shall restore the Premises to its condition at the commencement of this Permit. In addition, the Permittee shall remove any and all of Permittee's property including, but not limited to, fencing, equipment, materials, supplies and debris from the Premises; repair any damage to the Premises caused by Permittee's use thereof; and return all keys, if applicable, to the Port. Permittee's obligations and liability to the Port shall survive termination. Any items of Permittee's property which remain on the Premises after the expiration

21. WARRANTY OF AUTHORITY

The individuals executing this Permit warrant that they have full authority to execute this Permit on behalf of the entity for whom they are acting herein.

22. ENTIRE AGREEMENT

This Permit represents the entire agreement between the parties, and supersedes all prior agreements, written or oral. No amendment to this Permit shall be effective unless in writing and signed by the parties hereto.

PERMITTEE

DEL ALLEN ON BEHALF OF
PORTLAND SHIPPING CLUB
(Full Legal Name)

THE PORT OF PORTLAND

By: [Signature]
Title: FOR ROBERT HERRICK

[Signature]
(Signature)
DEL ALLEN JR
(Printed Name)
CHAIRMAN
(Title)

APPROVED AS TO LEGAL SUFFICIENCY

By: V. J. Salas
Counsel for Port of Portland

EXHIBIT "A"

DESCRIPTION OF THE PREMISES

OREGON LIQUOR CONTROL COMMISSION

PORTLAND, OREGON

subject to the provisions of the Oregon Liquor Control Act, and the Oregon Distilled Liquor Control Act, as amended, the Oregon Liquor Control Commission does hereby license applicant named below subject to the provisions of said acts, and to the further restrictions of the rules and regulations of the Commission, and the laws of the State of Oregon and the United States of America, to engage in the liquor business, as described in the application heron.

CAT 9300.00 3 2617

R23084A

VOID EXCEPT AT ADDRESS BELOW

CLEMENT ENTERPRISES, INC

DALE'S CATERING SERVICE

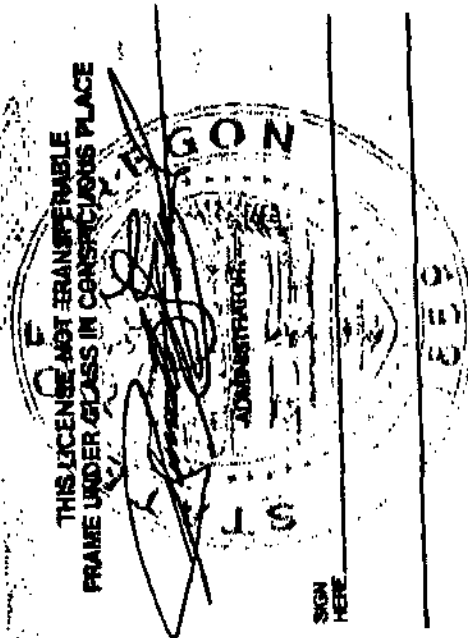
2420 SE BELMONT

PORTLAND OR

97214

DATE OF ISSUE: 07/21/1999
 DATE OF EXPIRATION: 06/30/2000

THIS LICENSE NOT TRANSFERABLE
 FRAME UNDER GLASS IN CONSPICUOUS PLACE

SIGN
HERE

No. 123209

FORM NO. 8-60-071 REV. 5/86

TOTAL 7101

ACORD		DATE (MM/DD/YY)			
PRODUCER (503)624-0466 FAX (503)624-0846 Slater & Associates Insurance, Inc. P.O. Box 1469 Tualatin, OR 97062-1469		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.			
Assn: Insured: Clement Enterprises, Inc. dba: Dale's Catering Service 2420 SE Belmont Street Portland, OR 97214		COMPANIES AFFORDING COVERAGE Valley Insurance Co. COMPANY A COMPANY B COMPANY C COMPANY D			
THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.					
CO	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OWNERS & CONTRACTORS PROT <input checked="" type="checkbox"/> Liquor Liability	4301CP002952	06/01/1999	06/01/2000	GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMPOUND ADD \$ 2,000,000 PERSONAL & ADV INJURY \$ 1,000,000 EACH OCCURRENCE \$ 1,000,000 FIRE DAMAGE (any one fire) \$ 50,000 WELD EXP (any one person) \$ 5,000
A	AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> RENTED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	4301CP002952	06/01/1999	06/01/2000	COMBINED SINGLE LIMIT \$ 1,000,000 BODILY INJURY (per person) \$ BODILY INJURY (per accident) \$ PROPERTY DAMAGE \$
	GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN AUTO ONLY \$ EACH ACCIDENT \$ AGGREGATE \$
	BROSS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM				EACH OCCURRENCE \$ AGGREGATE \$
	WORKERS' COMPENSATION AND EMPLOYERS' LIABILITY THE PROPRIETOR/ PARTNER/EXECUTIVE OFFICERS ARE: <input type="checkbox"/> INCL <input type="checkbox"/> EXCL OTHER				WORKERS' COMPENSATION LIMIT \$ IN EACH ACCIDENT \$ EL DISEASE - POLICY LIMIT \$ EL DISEASE - EA EMPLOYEE \$
DESCRIPTION OF OPERATIONS: ALL OPERATIONS OF NAMED INSURED SUBJECT TO POLICY TERMS AND CONDITIONS FAX 944-7209 RE: TERMINAL #4 - DENISE RAGLAND OCTOBER 7TH, 1999					
PORT OF PORTLAND PO BOX 3529 PORTLAND, OR 97208		SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING COMPANY WILL endeavor to MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES. AUTHORIZED REPRESENTATIVE Betty Beard/BJB <i>Betty Beard</i>			

KNOW ALL MEN BY THESE PRESENTS, That NEW YORK LIFE INSURANCE COMPANY, having its principal place of business at 51 Madison Avenue, New York, New York 10010, a corporation duly organized and existing under the laws of the State of New York, hereinafter called grantor, for the consideration hereinafter stated, does hereby grant, bargain, sell and convey unto THE CONTINENTAL GROUP, INC. (formerly Continental Can Company, Inc.) having its principal place of business at 633 Third Avenue, New York, New York, 10017, hereinafter called grantee's heirs, successors and assigns, that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or appertaining, situated in the County of Multnomah, and State of Oregon, described as follows, to wit:

Parcel "D"

Description of a tract of land in the James Loomis Donation Land Claim, and in Sections 1 and 2, Township, 1 North, Range, 1 West of the Willamette Meridian, Multnomah County, Oregon, more particularly described as follows:

Commencing at the intersection of the Westerly line of North Burgard with the Northwesterly line of North Weyerhaeuser Avenue (being the Northwesterly line of North St. John's); thence N. $22^{\circ}56'05''$ W, along said Westerly line of North Burgard, 601.38 feet; thence S $59^{\circ}48'24''$ W (Deed S $59^{\circ}50'40''$ W), 1009.78 feet to the point of beginning, being a point 10.00 feet from (when measured at right angles) the point of tangent of spur track 4; thence holding 10.00 feet from the centerline of said spur the following courses and distances; along the arc of a 488.34 foot radius curve left through a central angle of $30^{\circ}38'30''$ an arc distance of 261.16 feet, S $28^{\circ}15'50''$ W 205.20 feet, along the arc of a 469.28 foot radius curve left through a central angle of $44^{\circ}57'30''$ an arc distance of 368.23 feet, S $16^{\circ}41'40''$ E 125.00 feet more or less to a point on the Northwesterly right of way line of North Weyerhaeuser Avenue;

Recorded By
Continental Insurance Company

thence S 60°03' W along said Northwesterly^{right of} way line of 50.00 feet more or less to the Easterly right of way line the main Oregon Washington Railroad and Navigation Company railroad line; thence N 22°33' W 595.12 feet along said Easterly line to a point on the Southeasterly line of that Parcel A, conveyed to Continental Can Company in Book 1351 Page 587, Multnomah County Deed Records; thence N 59°48'24" E (deed N 59°50'40" E) along said Southeasterly line 633.71 feet to the point of beginning.

The above parcel contains 107919 square feet more or less, 2.4775 acres more or less.

SUBJECT to real estate taxes for 1976, and subsequent years; and easements, restrictions, and road rights-of-way of record.

To Have and Hold the same unto the said grantee and grantee's heirs, successors and assigns forever.

And, said grantor hereby covenants to and with said grantee and grantee's heirs, successors and assigns, that grantor is lawfully seized in fee simple of the above granted premises, free from all encumbrances except as have been previously disclosed by title report prepared by PIONEER NATIONAL TITLE INSURANCE COMPANY, dated February 4, 1976; and updated to the instant date; and that grantor will specially warrant that the party of the first part has not done or suffered anything whereby the said premises have been incumbered in any way whatever, except as aforesaid.

The true and actual consideration paid for this transfer, stated in terms of dollars is TWENTY-NINE THOUSAND, SEVEN HUNDRED THIRTY AND NO/100 (\$29,730.00) DOLLARS.

In construing this deed and where the context so requires, the singular includes the plural.

Done by order of the grantor's Board of Directors, with its corporate seal affixed, this 30th day of June, 1976

SEAL

NEW YORK LIFE INSURANCE COMPANY

BY: [Signature]
ROBERT E. CONKLIN Vice President

BY: [Signature]
William F. Boone ASSISTANT Secretary

STATE OF New York, County of New York ss:

Personally appeared ROBERT E. CONKLIN and William F. Boone who, being duly sworn, each for himself and not one for the other, did say that the former is the VICE PRESIDENT

and that the latter is the Assistant Secretary of New York Life Insurance Company, a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.

(Official Seal)

Before me: [Signature]
Notary Public for

My commission expires: _____

JOAN W. SHEAF
Notary Public, State of New York
No. 41-4516000
Qualified in Queens County
Certificate Filed in New York County
Commission Expires March 30, 1978

37117

STATE OF OREGON)
Multnomah County) ss.

I, Director, Department of Administration Services and Recorder of Conveyances, in and for said County, do hereby certify that the within instrument of writing was received for record and recorded in the record of _____ of said County at

JUL 7 2 36 AM '76

RECORDING SECTION
ADMIN. SERVICES
MULTNOMAH CO., OREGON

In Book

1113 2355

Witness my hand and seal of office affixed.

Director,
Department of Administration
Services

E. W. L. T.

Rec-17

Deputy.

The Post of Portland
700 ne Multnomah
Portland, Or
47215

Lydie Thompson

Record 1st

900

KNOW ALL MEN BY THESE PRESENTS, That THE CONTINENTAL GROUP, INC., (Formerly CONTINENTAL CAN COMPANY, INC.), having its principal place of business at 633 Third Avenue, New York, New York, 10017, a corporation duly organized and existing under the laws of the State of New York, hereinafter called grantor, for the consideration hereinafter stated, does hereby grant, bargain, sell and convey unto THE PORT OF PORTLAND OREGON, a municipal corporation of the State of Oregon having its principal place of business at 700 N.E. Multnomah, Portland, Oregon, 97213, hereinafter called grantee and grantee's heirs, successors and assigns, that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or appertaining, situated in the County of Multnomah, and State of Oregon, described as follows, to wit:

Parcel "D"

Description of a tract of land in the James Loomis Donation Land Claim, and in Sections 1 and 2, Township, 1 North, Range, 1 West of the Willamette Meridian, Multnomah County, Oregon, more particularly described as follows:

Commencing at the intersection of the Westerly line of North Burgard with the Northwesterly line of North Weyerhaeuser Avenue (being the Northwesterly line of North St. John's); thence N. $22^{\circ}56'05''$ W, along said Westerly line of North Burgard, 601.38 feet; thence S $59^{\circ}48'24''$ W (Deed S $59^{\circ}50'40''$ W), 1009.78 feet to the point of beginning, being a point 10.00 feet from (when measured at right angles) the point of tangent of spur track 4; thence holding 10.00 feet from the centerline of said spur the following courses and distances; along the arc of a 488.34 foot radius curve left through a central angle of $30^{\circ}38'30''$ an arc distance of 261.16 feet, S $28^{\circ}15'50''$ W 205.20 feet, along the arc of a 469.28 foot radius curve left through a central angle of $44^{\circ}57'30''$ an arc distance of 368.23 feet,

S 16°41'40" E 125.00 feet more or less to a point on the
Northwesterly right of way line of North Weyerhaeuser Avenue;
thence S 60°03' W along said Northwesterly right of way
line of 50.00 feet more or less to the Easterly right of
way line of the main Oregon Washington Railroad and
Navigation Company railroad line; thence N 22°33' W
595.12 feet along said Easterly line to a point on the
Southeasterly line of that Parcel A, conveyed to Continental
Can Company in Book 1351 Page 587, Multnomah County Deed
Records; thence N 59°48'24" E (deed N 59°50'40" E) along
said Southeasterly line 633.71 feet to the point of beginning.
The above parcel contains 107919 square feet more or less,
2.4775 acres more or less.

SUBJECT to real estate taxes for 1976,
and subsequent years; and easements, restrictions,
and road rights-of-way of record.

To Have and Hold the same unto the said grantee and grantee's
heirs, successors and assigns forever.

And, said grantor hereby covenants to and with said grantee
and grantee's heirs, successors and assigns, that grantor is
lawfully seized in fee simple of the above granted premises, free
from all encumbrances except as have been previously disclosed by
title report prepared by PIONEER NATIONAL TITLE INS. CO., dated
February 4, 1976; and updated to the instant date; and that
grantor will specially warrant that the party of the first part has
not done or suffered anything whereby the said premises have been
incumbered in any way whatever, except as aforesaid.

The true and actual consideration paid for this transfer,
stated in terms of dollars is TWENTY-NINE THOUSAND, SEVEN HUNDRED
THIRTY AND NO/100 (\$29,730.00) DOLLARS.

In construing this deed and where the context so requires, the singular includes the plural.

Done by order of the grantor's Board of Directors, with its corporate seal affixed, this 30th day of June, 19 76



THE CONTINENTAL GROUP, INC.

BY: X Edgar O. Bottler Vice President

BY: W. T. Jack Secretary

STATE OF New York, County of New York ss:

Personally appeared EDGAR O. BOTTLER AND ^{T. A. T. JACK} ~~CATHERINE A. REIN~~ who, being duly sworn, each for himself and not one for the other, did say that the former is the Vice President and General Counsel and that the latter is the ^{Assistant} Secretary of The Continental Group, Inc., a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation and that said instrument was signed and sealed in behalf of said corporation by authority of its board of directors; and each of them acknowledged said instrument to be its voluntary act and deed.

(Official Seal)

Before me: Robert F. Ludemann
Notary Public for

My commission expires: 3/30/77

ROBERT F. LUDEMANN
NOTARY PUBLIC, STATE OF NEW YORK
No. 30-4613258
Qualified in Nassau County
Term Expires March 30, 1977

KNOW ALL MEN BY THESE PRESENTS, That CONTINENTAL GROUP, INC., (formerly CONTINENTAL CAN COMPANY, INC.) having its principal place of business at 633 Third Avenue, New York, New York, 10017, a corporation duly organized and existing under the laws of the State of New York, hereinafter called grantor, for the consideration hereinafter stated, does hereby grant, bargain, sell and convey unto THE PORT OF PORTLAND, OREGON, a municipal corporation of the State of Oregon having its principal place of business at 700 N.E. Multnomah, Portland, Oregon, 97213, hereinafter called grantee and grantee's heirs, successors and assigns, that certain real property, with the tenements, hereditaments and appurtenances thereunto belonging or appertaining, situated in the County of Multnomah, and State of Oregon, described as follows, to wit:

Parcel "B"

Description of a tract of land in the James Loomis Donation Land Claim, and in Sections 1 and 2, Township, 1 North, Range, 1 West of the Willamette Meridian, Multnomah County, Oregon, more particularly described as follows:

Commencing at the intersection of the Westerly line of North Burgard with the Northwesterly Line of North St. John's); thence N 22°56'05" W along said Westerly line of North Burgard, 743.13 feet to the point of beginning.

Thence S 59°49' W, 377.51 feet; thence S 29°43' E, 140.69 feet to a point on the Southeasterly line of Parcel A, conveyed to Continental Can Company, Inc., in Book 1351, Page 587, Multnomah County Deed Records; thence S 59°48'24" W (Deed S 59°50'40"W), 867.81 feet; thence N 29°13'30" W, 452.55 feet to the Southeast corner of that tract conveyed to General Petroleum in Book 911, Page 289, November 8, 1922, Multnomah County Deed Records; thence continuing N 29°13'30" W along the Easterly line of said General Petroleum tract, 200.00 feet to the Northwesterly line of said Continental Can parcel; thence N 60°49'41" E, 1297.90 feet (Deed N 60°50'50" E, 1298.62 feet) to the Westerly line of said North Burgard; thence S 22°56'05" E (Deed S 22°51' E) along said Westerly line, 492.66 feet to the point of beginning.

The above parcel contains 758,209 square feet, 17.4061 acres.

Parcel "C"

Description of a tract of land in the James Loomis Donation Land Claim, and in Sections 1 and 2, Township, 1 North, Range, 1 West of the Willamette Meridian, Multnomah County, Oregon, more particularly described as follows:

Commencing at the intersection of the Westerly line of North Burgard with the Northwesterly line of North Weyerhauser Avenue (being the Northwesterly line of North St. John's) thence N 22°56'05" W along said Westerly line of North Burgard, 601.38 feet; thence S 59°48'24" W (Deed S 59°50'40"W), 1228.58 feet to the point of beginning;

Thence continuing S 59°48'24" W (Deed S 59°50'40"W) 414.91 feet to the Easterly right of way line of the Oregon-Washington Railroad and Navigation Company; thence N 22°33' W along said right of way, 242.64 feet; thence along the arc of a spiral curve right (the long choard of which bears N 21°18'30"W, 220.68 feet (Deed 219.88 feet)) to the Southeasterly line of that tract conveyed to General Petroleum in Book 911, Page 289, November 8, 1922, Multnomah County Deed Records; thence N 60°46'30"E along said Southeasterly line, 356.26 feet (Deed 356.77 feet) to the Southeasterly corner of said tract; thence S 29°13'30" E, 452.55 feet to the point of beginning.

The above parcel contains 176,353 square feet, 4.0485 acres.

SUBJECT to real estate taxes for 1976,
and subsequent years; and easements, restrictions.
and road rights-of-way of record.

To Have and to Hold the same unto the said grantee and grantee's
heirs, successors and assigns forever.

And said grantor hereby covenants to and with said grantee and
grantee's heirs, successors and assigns, that grantor is lawfully
seized in fee simple of the above granted premises, free from all
encumbrances except as have been previously disclosed by title re-
port prepared by PIONEER NATIONAL TITLE INSURANCE CO., dated Feb-
ruary 4, 1976; and updated to the instant date; and that grantor will
specially warrant that the party of the first part has not done
or suffered anything whereby the said premises have been incumbered
in any way whatever, except as aforesaid.

The true and actual consideration paid for this transfer, stated
in terms of dollars is Six Hundred Fifty-Four Thousand, Six Hundred
Twenty-eight and 50/100 (\$654,628.50) Dollars.

In construing this deed and where the context so requires, the
singular includes the plural.

Done by order of the grantor's Board of Directors,
with its corporate seal affixed, this 9th
day of June, 1976

CONTINENTAL GROUP, INC.

BY: Edgar O. Bottler Vice President

BY: Catherine A. Rein Secretary

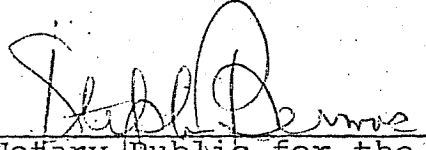
STATE OF NEW YORK, County of New York:

Then personally appeared EDGAR O. BOTTLER and CATHERINE A. REIN
who, being duly sworn, each for himself and not one of the other,
did say that the former is the Vice President and General Counsel and
that the latter is the Secretary of Continental Group, Inc., a corpo-

ration by authority of its Board of Directors. and each of them
acknowledged said instrument to be its voluntary act and deed.

(Official Seal)

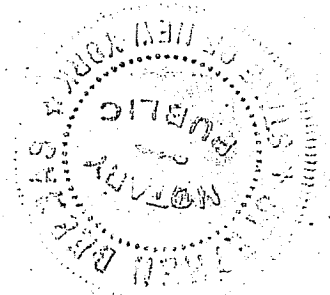
Before me:


Notary Public for the State
of New York

My commission expires:

3/30/77

STEPHEN BERMAS
Notary Public, State of New York
No. 30-0266300
Qualified in Nassau County
Certificate Filed in New York County
Commission Expires March 30, 1977



PURCHASE AND SALE AGREEMENT

This 9th day of June, 1976

1. PARTIES:

CONTINENTAL GROUP, INC. (formerly CONTINENTAL CAN COMPANY, INC.) whose principal office is located at 633 Third Avenue, New York, County of New York, New York 10017 ("Seller") agrees to SELL, and THE PORT OF PORTLAND, OREGON, a municipal corporation of the State of Oregon, whose principal office is located at 700 N.E. Multnomah, Portland, County of Multnomah, Oregon, 97208 ("Buyer") agrees to BUY upon the terms hereinafter set forth, the following described premises:

2. DESCRIPTION:

Those parcels of land more fully described by metes and bounds in Exhibit "A", attached hereto and incorporated herein by reference.

3. PURCHASE PRICE:

The agreed purchase price for the Premises is, minus option payments and other adjustments made pursuant to that certain Agreement dated April 9, 1976, incorporated herein by Reference (and attached as Exhibit "B"), payable as follows:

SIX HUNDRED FIFTY-FOUR THOUSAND, SIX HUNDRED TWENTY-EIGHT and 50/100 (\$654,628.50) DOLLARS to be paid upon delivery of the required to Buyer in cash by Cashier's or Certified Check.

4. CONVEYANCE OF TITLE:

Title to the Premises shall be conveyed by a special warranty deed duly executed by Seller in favor of Buyer, free and clear of all liens encumbrances, exceptions or qualifications whatsoever except:

- (A) Taxes for 1976 and subsequent years;
- (B) Any liens for public improvements assessed after the Time of Closing;
- (C) Restrictions of record (which are not accompanied by a reverter) and zoning ordinances and other prohibitions imposed by governmental authority in effect on the date hereof, provided that none of the foregoing shall interfere with the use of the Premises for commercial purposes; and

5. EVIDENCE OF TITLE:

Seller shall obtain a complete Report of Title and update to the Date of Closing prepared by a reputable Title Insurance firm covering the entire Premises. The cost and expense of the preparation of said Report shall be borne by the Seller. Acceptable title hereunder shall be a marketable record title vested in Seller as to the entire Premises, subject only to those liens, encumbrances, exceptions or qualifications set forth in paragraph 4 hereof and those which shall be discharged by Seller at or before closing. Buyer shall have fifteen (15) days after receipt of said Report of Title in which to have it examined and to notify Seller whether title is or is not acceptable, and if not acceptable, to describe the defects. If the title is acceptable, and is so shown by the Report of Title, the closing shall take place as provided in paragraph 7 hereof. If the title is not acceptable, or is not so shown by the said Report of Title, Seller shall have a period not to exceed thirty (30) days from the delivery of the notice in which to cure the defects so specified, and Seller shall use its best efforts to do so, and the Time of Closing and date of delivery of possession of the entire Premises shall be extended until five (5) days after Seller has given Buyer proof that all such defects have been cured. If Seller is unable to cure any defect within the time specified above, or within any extended period agreed upon by Seller and Buyer, Seller shall so notify Buyer in writing, and Buyer shall have the option (a) of waiving or (b) of withdrawing from the transaction, in which event the option payments specified in paragraph 3 hereof shall be forthwith returned to Buyer, and thereupon Seller and Buyer shall be released from all further obligations under this Agreement. If Buyer should withdraw from the transaction, the Report of Title shall be returned to Seller; otherwise, the Report of Title shall be the property of Buyer after full payment of the aforesaid full purchase price.

6. SURVEY:

As soon as practicable after the execution of this Agreement, Seller shall cause a complete survey of the Premises to be prepared and certified by a Registered Surveyor of the State of Oregon, which shall include a metes

and bounds description of the entire land involved. The cost and expense of the preparation of the survey shall be borne equally between the Seller and the Buyer. If the survey shall show any encroachment, the same shall be treated in the same manner as a title defect under the provisions of paragraph 5 of this Agreement.

7. TIME AND PLACE OF CLOSING:

The transaction contemplated by this Agreement shall be closed and the required deed delivered on or before June 9, 1976 unless extended by other provisions of this Agreement. The actual closing date is referred to herein as the "Time of Closing". It is agreed that time is of the essence of this Agreement.

Unless otherwise agreed by the parties the closing shall take place at the offices of The Port of Portland Oregon, 700 N.E. Multnomah St., Portland, Oregon.

8. POSSESSION:

Possession of the entire Premises, free of all tenants and occupants, shall be delivered at the Time of Closing, and the premises shall, at the Time of Closing, not be in violation of any applicable law or regulation of any governmental authority or of any of the other matters referred to in paragraph 4 hereof. If Seller shall be unable to deliver possession of the Premises as aforesaid, or if at the Time of Closing the Premises do not conform with the provisions hereof, the Seller shall have a period of up to thirty (30) days in which to correct such defects, and Seller shall use its best efforts to do so, in which event the Time of Closing and date of delivery of possession of the entire Premises shall be extended accordingly. If any such defect is not corrected within such thirty-day period, Buyer shall have the option (a) of taking the Premises as is, or (b) of withdrawing from this transaction, in which event the deposit specified in paragraph 3 hereof shall be forthwith returned to Buyer, and thereupon Buyer and Seller shall be released from any further obligations under this Agreement.

9. RISK OF LOSS:

If the Land constituting these Premises shall be damaged by casualty before the Time of Closing due to acts or omissions of Seller, its employees, agents or independent contractors,

but can be restored to substantially the same condition as of the date of this Agreement within a period of thirty (30) days thereafter, Seller shall so restore the Land and the Time of Closing and date of delivery of possession of the entire Premises shall be extended accordingly. If such Land cannot be restored to substantially the same condition as they are as of the date of this Agreement within such thirty-day period, then Buyer shall have the option (a) of taking the Premises as is, in which event Seller shall pay over or assign to Buyer, on delivery of the required deed, all amounts recovered or recoverable on account of the insurance required to be maintained by Seller under the provisions of paragraph 12. hereof, less any amounts reasonably expended by Seller for any partial restoration, or (b) of withdrawing from this transaction, in which event the option payments specified in paragraph 3 hereof shall be forthwith returned to Buyer, and thereupon Buyer and Seller shall be released from all further obligations under this Agreement.

10. BUYER'S ELECTION TO ACCEPT:

The acceptance of a special warranty deed by Buyer shall be deemed to be a full performance and discharge of every agreement and obligation herein contained or expressed, except the provisions of paragraph 13 of this Agreement.

11. USE OF PURCHASE MONEY:

To enable Seller to make the conveyance as herein provided, Seller may, at the Time of Closing, use the purchase money or any portion thereof to clear the title of any or all encumbrances or interests, provided that all instruments so procured are recorded simultaneously with the delivery of said special warranty deed or that provision for prompt recording thereof reasonably satisfactory to Buyer's attorney is made at the Time of Closing.

12. INSURANCE:

Seller is not expected to maintain insurance with respect to the Premises being sold since it includes vacant land and no improvements.

13. ADJUSTMENTS:

Water and sewer use charges, and taxes for 1976, shall be apportioned, as of the Time of Closing and the net amount thereof shall be added to or deducted from, as the case may be, the purchase price payable by Buyer at the Time of Closing.

If the amount of said taxes is not known at the Time of Closing, they shall be apportionment on the basis of the taxes assessed for the preceding year, with a reapportionment as soon as the new tax rate and valuation can be ascertained; and, if the taxes which are to be apportioned shall thereafter be reduced by abatement, the amount of such abatement, less the reasonable cost of obtaining same, shall be apportioned between the parties, provided that neither party shall be obligated to institute or prosecute proceedings for an abatement unless otherwise agreed. If such proceedings are commenced, the party commencing the same shall give the other party notice thereof, thereafter diligently prosecute such proceedings and not discontinue the same without first giving the other party notice of its intention so to do and reasonable opportunity to be substituted in such proceedings; and the other party agrees to cooperate in such proceedings without being obligated to incur any expense in connection therewith.

14. EXPENSES:

The cost of surtax stamps and documentary stamps or the Oregon equivalent that are required to be affixed to the special warranty deed to be given by Seller shall be borne by Seller. The cost of recording the special warranty deed shall be borne by the Buyer.

15. BROKER:

Buyer represents that no person other than Lucke, Drake, Van Houten & Co., Realtors, 1618 S.W. First Avenue, Portland, Oregon, 97201, has called his attention to the Premises or would to Buyer's knowledge be entitled to be paid a commission by Seller.

16. DEFAULT BY BUYER:

Except as otherwise expressly provided herein, if Buyer shall fail to fulfill Buyer's obligations hereunder, then upon at least ten (10) days advance notice by Seller to Buyer, the amounts paid pursuant to that certain option agreement dated April 9, 1976 (attached as Exhibit "B") at the election of Seller, may be retained by Seller as liquidated damages and in full settlement of any claim for damages.

17. DEFAULT BY SELLER:

Except as otherwise expressly provided herein, if Seller shall fail to fulfill Seller's obligations hereunder, then upon written notice by Buyer to Seller, the amounts paid pursuant to that certain option agreement dated April 9, 1976 (attached as Exhibit "R"). shall be forth-

18. RECORDATION:

If Buyer records this Agreement, it shall, at the option of Seller, become ipso facto null and void, and all payments made hereunder shall be retained by Seller as liquidated damages.

19. NOTICE:

All notices required or permitted to be given hereunder shall be in writing and delivered by hand or mailed postage prepaid, by registered or certified mail, addressed in the case of Seller to the General Counsel's Office, Continental Group, Inc., 633 Third Avenue, New York, New York 10017, and in the case of Buyer to Mr. Lyle D. Thompson, Real Estate Manager, The Port of Portland, 700 N.E. Multnomah, Portland, Oregon, 97213.

20. ATTORNEY FEES AND COSTS:

In connection with any litigation arising out of this Agreement, the prevailing party shall be entitled to recover all costs incurred, including reasonable attorneys fees.

21. CONSTRUCTION OF AGREEMENT:

If Seller executes this Agreement in a representative or fiduciary capacity, only the principal represented shall be bound and neither Seller so executing nor any shareholder shall be personally liable for any obligation expressed or implied hereunder.

This instrument is to be construed as an Oregon contract, is to take effect as a sealed instrument, sets forth the entire contract between the parties and may be cancelled, modified or amended only by a written instrument executed by both Seller and Buyer.

22. TIME FOR ACCEPTANCE:

If this Agreement is not executed by both Seller and Buyer on or before June 9, 1976, 1976, this Agreement shall be null and void. However, Buyer agrees to extend the time for acceptance by Seller for up to ten (10) days for good cause shown. The date of this Agreement, for purposes of performance, shall be regarded as the date when the last one of Seller and Buyer has signed this Agreement.

EXECUTED by Seller this 9th day of June, 1976.

CONTINENTAL GROUP, INC.

BY: Edgar O. Botte

TITLE: Vice President

ATTEST: Bruce A. Hubbard

SELLER

EXECUTED by Buyer this 9th day of June, 1976.

THE PORT OF PORTLAND, OREGON

BY: F. G. Dan

TITLE: SECRETARY, Port of Portland

ATTEST: Her A. Underwood
Assistant Secretary
BUYER

EXHIBIT - "A"

Parcel "B"

Description of a tract of land in the James Loomis Donation Land Claim, and in Sections 1 and 2, Township, 1 North, Range, 1 West of the Willamette Meridian, Multnomah County, Oregon, more particularly described as follows:

Commencing at the intersection of the Westerly line of North Burgard with the Northwesternly Line of North St. John's); thence N 22 56'05" W along said Westerly line of North Burgard, 743.13 feet to the point of beginning.

Thence S 59 49' W, 377.51 feet; thence S 29 43' E, 140.69 feet to a point on the Southeasterly line of Parcel A, conveyed to Continental Can Company, Inc., in Book 1351, Page 587, Multnomah County Deed Records; thence S 59 48'24" W (Deed S 59 50'40"W), 867.81 feet; thence N 29 13'30" W, 452.55 feet to the Southeast corner of that tract conveyed to General Petroleum in Book 911, Page 289, November 8, 1922, Multnomah County Deed Records; thence continuing N 29 13'30" W along the Easterly line of said General Petroleum tract, 200.00 feet to the Northwesternly line of said Continental Can parcel; thence N 60 49'41" E, 1297.90 feet (Deed N 60 50'50" E, 1298.62 feet) to the Westerly line of said North Burgard; thence S 22 56'05" E (Deed S 22 51" E) along said Westerly line, 492.66 feet to the point of beginning.

The above parcel contains 758,209 square feet, 17.4061 acres.

Parcel "C"

Description of a tract of land in the James Loomis Donation Land Claim, and in Sections 1 and 2, Township, 1 North, Range, 1 West of the Willamette Meridian, Multnomah County, Oregon, more particularly described as follows:

Commencing at the intersection of the Westerly line of North Burgard with the Northwesternly line of North Weyerhauser Avenue (being the Northwesternly line of North St. John's) thence N 22 56'05" W along said Westerly line of North Burgard, 601.38 feet; thence S 59 48'24" W (Deed S 59 50'40"W), 1228.58 feet to the point of beginning;

Thence continuing S 59 48'24" W (Deed S 59 50'40"W) 414.91 feet to the Easterly right of way line of the Oregon-Washington Railroad and Navigation Company; thence N 22 33' W along said right of way, 242.64 feet; thence along the arc of a spiral curve right (the long choard of which bears N 21 18'30"W, 220.68 feet (Deed 218 00 feet)) to the Southeast corner of the

EXHIBIT "A"
OPTION FOR PURCHASE OF REAL ESTATE

KNOW ALL MEN BY THESE PRESENTS, that Continental Can Company, Inc., a New York corporation, the party of the first part, for an in consideration of a monthly payment of One Thousand Two Hundred and No/100ths Dollars (\$1,200.00) paid upon the first day of each month beginning March 1, 1976 for the period of six months up to and including August 31, 1976, does hereby bargain, give and grant to The Port of Portland, a municipal corporation of the State of Oregon, the party of the second part, the sole, exclusive and irrevocable right and privilege of purchasing that certain tract or parcel of land, situate, lying and being in the City of Portland, County of Multnomah, and State of Oregon, and more particularly bounded and described as follows, to wit:

All of the remaining land known as Tax Lot 59, Sections 1 and 2, T1N, R1W, W.M., Portland, Oregon, described by a survey and metes and bounds description to be made by Jim Weddle and Associates, to be priced at \$35,000.00 per acre except for the rear portion of the lot lying west of the southerly extension of the east line of the adjoining Tax Lot 43 containing approximately 4.10 acres, to be priced at \$12,000.00 per acre.

Buyer has indicated a wish to purchase the land in which the lead track is located. Such land (approximately 2.5 acres) is owned by New York Life Insurance Company and Continental shall use its best efforts to obtain the sale of such land, subject to Continental's rail easement, to the buyer.

All of the land referred to in the above paragraph is contained in the preliminary title report from Pioneer National Title Insurance Company, No. 436759, dated February 4, 1976.

At and for the agreed purchase price to be determined as set forth herein above to be paid (if the said party of the second part shall elect to purchase hereunder) in a manner and form as follows, to wit:

Cash upon closing.

The party of the second part shall provide, as soon as reasonably possible, a boundary survey prepared by a surveyor licensed in the State of Oregon. The party of the first part shall reimburse the party of the second part for one-half of the cost of the survey following completion of the survey. In the event party of the second part fails to exercise this option, the party of the first part shall also reimburse the party of the second part for one-half of the survey cost paid by the party of the second part.

The \$1,200.00 option payment for the month of March, 1976, has been paid upon execution of this option, receipt of which is hereby acknowledged subject to collection. This payment is for the month of March, 1976, and a like payment shall be made on April 1, 1976, and monthly thereafter until August 1, 1976. In the event such payment is not made on the first day of each successive month as hereinabove provided, this option shall terminate and expire.

This option shall be exercised by the party of the second part giving written notice to the agent of the first part, Robert F. Ludemann, General Manager of Real Estate, Continental Can Company, Inc., 633 Third Avenue, New York, New York, 10017.

If the party of the second part exercises this option, all monthly payments made up to the time of exercise shall be credited against the purchase price.

In the event that the seller is unable to convey title in accordance with the terms of this contract, the sole liability of the seller will be to refund the purchaser the amount paid on the account of the purchase price and to pay the net cost of the examination of the title, and upon such refund and payment being made this contract shall be considered canceled.

Taxes shall be apportioned on the day of closing.

Annexed hereto is the form of contract of sale to be entered into between buyer and seller in the event buyer exercises its option to purchase. Also annexed is the form of deed to be delivered pursuant to said contract of sale.

In case said party of the second part shall elect to purchase said premises hereunder, and shall pay or offer to pay said consideration to said party of the first part, in time, manner and form as herein-before specified, then the said party of the first part upon its part, agrees forthwith to convey said premises free of all encumbrances except sewer and water easements of record to said party of the second part by special warranty deed, together with abstract or certificate of title showing, or title insurance insuring, good marketable title.

THE PORT OF PORTLAND

Stacy E. Anderson
Executive Director

Date: March 16, 1976

Approved As To Form:

Counsel - Port of Portland

CONTINENTAL CAN COMPANY, INC.

Edgar D. Battle
Vice President

Date: April 9, 1976

TOYOTA
AUTO FACILITY
LEASE AND AGREEMENT

JANUARY 5, 1972

THE PORT OF PORTLAND

TOYOTA AUTO FACILITY LEASE AND AGREEMENT

January 5, 1972

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LEASE AND AGREEMENT

THIS LEASE AND AGREEMENT, made and entered into at Portland, Oregon, this 24 day of January, 1972, by and between THE PORT OF PORTLAND, a municipal corporation organized and existing under the laws of the State of Oregon, hereinafter called the "Port," and TOYOTA MOTOR SALES, U.S.A., INC. a California corporation, hereinafter referred to as "Toyota,"

W I T N E S S E T H:

That in consideration of the agreements and covenants herein set forth to be kept and performed by the respective parties hereto, the Port and Toyota agree as follows:

ARTICLE 1 - Premises

A. The leased premises shall be composed of the following land areas and physical facilities to be located at Terminal No. 4 or the Rivergate Industrial District.

*Amended
9/1/83*

1. Auto Dock Area: Composed of a floating auto dock, ramps, roadways and Office and Lunchroom Building similar to Auto Dock No. 2 at the Terminal No. 4 Auto Facility.

2. Receiving Area: Composed of eighteen (18) acres, more or less, graded, paved and fenced and adjacent to the Auto Dock Area.
3. Service & Rail Area: Composed of six and one-half (6-1/2) acres, more or less, graded, paved and fenced and near the Receiving Area. Facilities will include a six thousand (6,000) square foot building with conveyor for automobile clean-up and four (4) rail spurs similar to those in the clean-up area of the Terminal No. 4 Auto Facility.

It is recognized by the parties hereto that the exact location and legal description of the permanent premises have not yet been determined and that the location and legal description of such premises leased hereunder shall be mutually determined within the interim period of two (2) years from the effective date as established in Article 5.

During the interim period, prior to a mutual determination of the exact location and legal description of the premises and prior to Toyota's taking possession thereof, the Port shall provide temporary premises at the Terminal No. 4 Auto Facility as shown on Exhibit A attached hereto and incorporated herein. The terms and conditions of this Lease and Agreement shall apply to such temporary premises as though they are the permanent premises.

Such temporary premises shall not, however, include the Service and Rail Area at the Terminal No. 4 Auto Facility. Further, the terms and conditions of this Lease and Agreement relative to such area shall not apply during the interim period.

B. In the event the Port deems it necessary, any, all or part of the premises may be withdrawn provided that:

1. Prior to withdrawal the Port shall substitute other premises which shall contain space and facilities equal to or greater than the premises above described.
2. The Port shall give Toyota ninety (90) days written notice prior to any relocation.
3. The Port shall pay all costs of relocation pursuant to this paragraph.

C. The Port shall reserve for Toyota and Toyota shall have an option to lease an additional thirty (30) acres for expansion of or addition to the Receiving Area for a period of four (4) years from the effective date hereof as established in Article 5 in accordance with the following terms and conditions:

*Amended
7/1/73*

1. For each acre added to the Receiving Area, the minimum rental for the Receiving Area as stated in Article 3-B-3 shall be increased by Two Thousand Five Hundred Dollars (\$2,500).
2. Additions to the Receiving Area shall be made by the Port at no cost to Toyota except for the increase in minimum rent as set forth above.

ARTICLE 2 - Use of Premises

- A. Dock Area: Toyota shall have a preferential right or privilege to use the Dock Area subject to the following conditions and reservations.
 1. Preferential Berthing Rights for Toyota: Upon departure from point of origin, Toyota shall notify the Port (written notice not required) that a vessel is destined for Portland and such notice shall state the estimated time of arrival. In no event shall notice be given less than seven (7) days prior to the estimated time of arrival. Further notice (unwritten notice shall be deemed sufficient) shall be given forty-eight (48) hours prior to arrival at the Dock Area. Provided such notices have been given, the Port agrees to clear the Dock Area of all vessels and cargo in order to permit the prompt berthing of Toyota vessels, for the purpose of discharging automobiles, other vehicles or cargo incidental thereto at the Dock Area in preference to all others.

2. Secondary Berthing Rights Reserved for Port: The Port reserves the right to use the Dock Area for the berthing of vessels and loading or discharging of cargoes and operations incidental thereto when the Dock Area is not being used by Toyota pursuant to Article 2-A-1. Toyota agrees to remove its vehicles and other cargo from the Dock Area immediately after discharge from vessel. Toyota also agrees that it shall promptly remove its vessels not engaged in cargo discharging operations from the Dock Area provided that the Port shall request such removal in order to exercise its Secondary Berthing Rights.
 3. The Dock Area shall be used by Toyota to berth vessels discharging cargoes of automobiles and other vehicles and for operations and other cargo discharge incidental thereto. Toyota and the Port agree that the Joint Use Roadway and the Office and Lunchroom Building may at all times be used by the Port, its designees and assignees and that the roadway shall be used only for the purpose of moving cargo and shall not be used for storage or parking or any other use which limits or impedes the movement of cargo by joint users.
- B. Receiving Area: Toyota shall have the exclusive use of the Receiving Area during the term of this Lease and Agreement.
- C. Service & Rail Area: Toyota shall have the exclusive use of the Service and Rail Area.

ARTICLE 3 - Rent

Toyota agrees to pay to the Port for use of the premises described in Article 1 payments as follows:

A. Dock Area:

1. Dockage: It is agreed that Dockage will be billed to the account of the vessel by the Port according to the then current Port Terminal Tariff.
2. Wharfage on Automobiles: Toyota agrees to pay to the Port Wharfage on automobiles discharged at the Dock Area based on the following rates (stated in dollar amounts per ton of two thousand (2,000) pounds):

First fifteen thousand (15,000) automobiles discharged in a Lease Year, Wharfage at the rate of Three Dollars and Seventy-five Cents (\$3.75) per ton.

Second fifteen thousand (15,000) automobiles discharged in a Lease Year, Wharfage at the rate of Two Dollars and Seventy-five Cents (\$2.75) per ton.

Third fifteen thousand (15,000) automobiles discharged in a Lease Year, Wharfage at the rate of One Dollar and Seventy-five Cents (\$1.75) per ton.

After forty-five thousand (45,000) automobiles discharged in a Lease Year, Wharfage at the rate of One Dollar (\$1.00) per ton.

3. Wharfage Payments On a Per-Automobile Basis: Wharfage payments shall be made monthly in accordance with Article 4 on an amount-per-automobile basis, such amount being the applicable Wharfage rates as previously set forth multiplied by the average weight in tons per automobile discharged at the premises by Toyota during the preceding Lease Year. Such per-automobile Wharfage rates shall be determined by the Port at the beginning of each Lease Year based on the average weight per automobile discharged at the premises by Toyota during the preceding Lease Year. For the first Lease Year of this Lease and Agreement, the parties agree that the average weight per automobile for the purposes of computation of the Wharfage rates per automobile shall be one and five one-hundreths (1.05) tons.
4. Wharfage Minimums: In no event shall the Wharfage payments for any Lease Year be less than Eighty-three Thousand Seven Hundred and Fifty Dollars (\$83,750).

Any discharging of automobiles by Toyota at the premises, or at other Port facilities specifically agreed to, shall be billed according to this Article 3-A and Wharfage shall apply against the minimum stated above.

5. Wharfage on Cargo Other than Automobiles: All vehicles and cargo other than automobiles discharged by Toyota at the premises shall be billed and paid for at the then current Port Terminal Tariff and any Wharfage so billed shall apply against the Wharfage minimum.

B. Receiving Area:

1. Receiving Area Rental: For exclusive use of the Receiving Area described above in Article 1-A-2, Toyota agrees to pay the Port a Receiving Area rental fee of One Dollar (\$1.00) per ton for automobiles discharged by Toyota at Portland.
2. Rental On a Per-Automobile Basis: The Receiving Area rental payment shall be made monthly on an amount-per-automobile basis, such amount being the average weight in tons per automobile for the preceding Lease Year multiplied by the One Dollar per ton rental fee. The rental fee per automobile shall be determined by the Port at the beginning of each Lease Year based on the average weight per automobile discharged by Toyota at Portland during the preceding Lease

Year. For the first Lease Year of this Lease and Agreement, the parties agree that the average weight per automobile for the purposes of computation of the Receiving Area rental fee per automobile shall be one and five one-hundredths (1.05) tons.

3. Receiving Area Rental Minimum: In no event shall the Receiving Area fee for any Lease Year be less than Twenty-five Thousand (\$25,000) Dollars.

4. Rental Fee for Cargo Other Than Automobiles: For cargo other than automobiles discharged by Toyota at the premises, Toyota shall pay a rental fee of \$1.00 per ton, and any rental fee so billed shall apply against the Receiving Area rental fee minimum.

C. Service and Rail Area: For use of the Service and Rail Area described above in Article 1-A-3, Toyota agrees to pay the Port rent of Two Thousand Five Hundred (\$2,500) Dollars per month for the term of this Lease and Agreement.

ARTICLE 4 - Reports and Payments

Toyota shall deliver to the Port a copy of each ship manifest promptly after vessel discharge or other documentation evidencing cargo discharged.

Toyota shall pay the Port monthly on or before the tenth (10th) day of each calendar month rent as set forth in Article 3 or other sums due hereunder for the preceding month. All payments shall be made in lawful money of the United States at the Port's offices in Portland, Oregon.

ARTICLE 5 - Term

This Lease and Agreement shall be for a term of fifteen (15) years effective on the date established according to Article 14-V. Each year of this Lease and Agreement, commencing on the effective date of this Lease and Agreement and annual anniversaries thereof, shall be designated as a "Lease Year."

ARTICLE 6 - Alterations and Improvements

Toyota may make alterations or improvements to or upon the premises or install fixtures after first obtaining written approval from the Executive Director of the Port.

ARTICLE 7 - Utilities

Toyota shall pay for all water, heat, light, fuel, electricity, power, gas and other utilities which may be furnished to or used in or upon the premises as described in Article 1 by Toyota during the term of this Lease and Agreement. The amounts paid hereunder shall not be applied against minimum sums due under Article 3.

ARTICLE 8 - Maintenance

A. Dock Area:

1. Toyota shall keep the premises clean and orderly.
2. Toyota shall promptly repair any damage to the premises caused by Toyota, its designees or assignees.
3. The Port shall perform all other maintenance required in the Dock Area.

B. Receiving Area: Toyota shall keep the premises clean and orderly and shall make all repairs and perform all maintenance required during the term of this Lease and Agreement whether structural, operational or otherwise.

C. Service and Rail Area: Toyota shall keep the premises clean and orderly and shall make all repairs and perform all maintenance required during the term of this Lease and Agreement whether structural, operational or otherwise.

ARTICLE 9 - Fire, Lightning & Extended Coverage Insurance

The Port shall keep all the premises excluding the Auto Dock insured (in an amount equal to their fair market value) against fire and other risks covered by a

standard fire insurance policy with an endorsement for extended coverage. The Port shall determine the cost of such insurance to the premises, buildings, facilities, and improvements and Toyota shall reimburse the Port for the cost of said insurance annually. The Port shall provide reasonable evidence of insurance expenses allocable to Toyota upon request. Under the Port's existing insurance policies, it has the right and privilege to waive subrogation rights of underwriters on said policies against Toyota. The Port covenants and agrees that so long as said privilege of waiver provision is in force in said policies, it shall, and hereby does, waive subrogation rights against Toyota with respect to perils insured against under said policies.

ARTICLE 10 - Indemnity

It is an express condition of this Lease and Agreement that the Port, its Commissioners, officers, agents and employees shall be free from any and all liabilities and claims for damages and/or suits for or by reason of any death or deaths of or any injury or injuries to any person or persons or damages to property of any kind whatsoever, whether the person or property of Toyota, its agents or employees, or third persons, from any cause or causes whatsoever while in or upon said premises or any part thereof during the term of this Lease and Agreement or occasioned by any occupancy or use of said premises or any activity carried on by Toyota in connection therewith, and Toyota hereby covenants and agrees to indemnify, defend and to save harmless the Port, its Commissioners, officers, agents and employees from all liabilities, charges, expenses (including attorney fees and attorney fees on appeal)

and costs on account of or by reason of any such death or deaths, injury or injuries, liabilities, claims, suits or losses however occurring, or damages growing out of same; provided, however, that the preceding provisions of this paragraph shall not apply to personal injuries, including death, and/or property damage resulting from the sole negligence of the Port, its officers, agents, employees or its invitees in the exercise of Port's rights to use or assign others to use the premises described as the Dock Area in Article 2 hereof.

ARTICLE 11 - Liability Insurance

Toyota shall maintain in force during the term of this Lease and Agreement public liability and property damage insurance in a form and with a company acceptable to the Port in not less than the sum of Five Hundred Thousand (\$500,000) Dollars for injury to or death of any one person, and in the sum of One Million (\$1,000,000) Dollars for injury to or death of more than one person, and in the sum of Five Hundred Thousand (\$500,000) Dollars for damages to property. As a minimum the insurance coverage shall be not less than that contained in a standard comprehensive liability policy including automobile, products, and contractual liability. The contractual liability shall recognize and include the indemnity provisions of this Lease and Agreement.

Said insurance shall include a policy endorsement which shall provide that the insurance will not be cancelled or reduced without at least thirty (30) days prior written notice to the Port and to Toyota. A certificate or certificates

evidencing such insurance coverage shall be filed with the Port prior to the commencement of the term of this Lease and Agreement, and said certificate(s) shall have attached a copy of the policy endorsement which provides that such insurance will not be cancelled or reduced without at least thirty (30) days prior written notice to the Port. At least thirty (30) days prior to the expiration of any such policy Toyota shall file with the Port a certificate showing that such insurance coverage has been renewed or extended.

At least fifteen (15) days prior to the effective date of any cancellation or reduction of coverage, Toyota shall file with the Port a certificate showing that the required insurance has been reinstated or provided through another insurance company or companies. Notwithstanding any other provision of this Lease and Agreement to the contrary, upon failure to so file such certificate(s), the Port may without further notice cancel and terminate this Lease and Agreement and exercise other rights as it may have in the event of Toyota's default.

ARTICLE 12 - Workman's Compensation and Longshore and Harbor Worker's Act Coverage

Toyota shall maintain in force during the term of this Lease and Agreement Workman's Compensation Insurance including coverage for liability arising out of the Longshoremen's and Harbor Worker's Compensation Act. A certificate or certificates evidencing such insurance coverage shall be filed in the same manner as required by Article 11.

ARTICLE 13 - Marine Insurance

The Port shall keep the Auto Dock insured against risks covered by a standard marine insurance policy.

ARTICLE 14 - General Provisions

A. Security of Premises: Toyota shall assume complete responsibility for security of the premises and goods thereon except that Toyota shall not have responsibility for the security of cargoes belonging to third parties using the premises pursuant to rights reserved for the Port its designees or assignees under Article 2. The Port assumes no liability or responsibility for loss or damage to the property under control of or handled by Toyota or personal property under the control of Toyota, whether caused by fire or other causes. Toyota covenants and agrees to waive any and all claims against Port in connection with such loss or damage, and further covenants and agrees to waive subrogation rights of its underwriters in connection with such loss or damage. The Port assumes no liability for the security of the premises, but reserves the right to police the use of the premises as to fire or other hazard without assuming responsibility or obligation in connection therewith. The Port assumes no responsibility for the handling of or placement of insurance upon any cargo moving over the premises.

- B. Damage or Destruction of Premises: If the floating dock or other property of any type or nature within the Dock Area is damaged or destroyed by fire or other casualty, the Port shall promptly repair, rebuild, replace or restore the property damaged or destroyed to substantially the same condition as existed prior to the occurrence of such damage or destruction provided, however, that if the improvements within the Dock Area are more than 50% damaged or destroyed within the last five (5) years of this Lease and Agreement or more than 25% damaged or destroyed within the last two (2) years the Port shall have the option to terminate this Lease and Agreement or repair, rebuild, replace or restore the damaged or destroyed property. The percentage of damage or destruction shall be determined by comparing the cost of repair, rebuilding or restoration of the damaged or destroyed property with the fair market value of the same property immediately prior to the damage or destruction.

Termination shall be made in writing by Port to Toyota and shall be effective as of the date the damage or destruction occurred. In the event the Port terminates this Lease and Agreement pursuant to the terms of this Article, Toyota shall not be liable for further payments accruing after the date of damage or destruction, and the proceeds of insurance upon the premises shall be the sole property of the Port. If the Port rebuilds, repairs, replaces or restores the Dock Area the minimum annual guarantee as set forth in Article 3 shall be reduced by a pro rata amount according to the period during the Lease Year that the premises are unusable.

- C. Utility Lines and Easements: The Port reserves the right to locate, construct, install and maintain sewers, utilities and transit tubes upon and across the premises at locations which do not unreasonably interfere with Toyota's use of the premises.
- D. Taxes: Toyota agrees to pay all lawful taxes and assessments which during the term hereof or any extension as provided for herein may become a lien or which may be levied by the State, County, City, or any other tax levying body upon the premises herein or upon any taxable interest by Toyota acquired in this Lease and Agreement, or any taxable possessory right which Toyota may have in or to the premises or facilities herein set forth or the improvements thereon, by reason of its occupancy thereof, or otherwise, as well as all taxes on taxable property, real or personal, owned by Toyota in or about said premises.
- E. Assignment and Subletting: Toyota shall not, either directly or indirectly, assign, hypothecate, encumber or transfer this Lease and Agreement or any interest therein, or sublet the whole or any part of the premises, or license the use of same in part without written consent of the Port.
- F. Liens and Encumbrances: Toyota shall keep the premises free and clear of all liens and encumbrances arising or growing out of its use of said premises.

- G. Notices: Any notice permitted or required to be served upon Toyota may be served upon ~~it~~^{them} at their home office located at 2055 West 190th Street, Torrance, California, 90509; provided, however, that if Toyota shall give notice in writing to the Port of any change in said address, then and in such event such notice shall be given to Toyota at such substituted address. Any notice permitted or required to be served upon the Port may be served upon it at P. O. Box 3529, Portland, Oregon 97208; provided, however, that if the Port shall give notice in writing to Toyota of any change in said address, then and in such event such notice shall be given to the Port at such substituted address.

It is understood and agreed that such service of notice upon Toyota shall be effective for all purposes of this Lease and Agreement.

- H. Qualification to Do Business in Oregon: It is expressly understood and agreed that Toyota is and shall continue to be during the term of this Lease and Agreement legally qualified to do business in the State of Oregon.
- I. Integration: This Lease and Agreement constitutes the entire agreement between the Port and Toyota. There are no terms, obligations or conditions other than those contained herein. No modification or amendment of this Lease and Agreement shall be valid and effective unless evidenced by an agreement in writing.

- J. Title to Improvements: It is understood and agreed that title to all improvements of any kind constructed upon the premises by the Port shall vest and remain in the Port.
- K. Signs: Signs or placards of an advertising or promotional nature may be painted, inscribed or placed in or on the premises or any building or structure located thereon with the prior written consent of the Executive Director of the Port.
- L. Rules, Regulations and Laws: Toyota agrees to comply with all applicable rules and regulations or ordinances of the Port pertaining to the premises or any buildings or structures located thereon either now in existence or hereafter promulgated for the general safety and convenience of the Port, its tenants, invitees, licensees and the general public. Toyota further agrees to comply with all applicable Federal, state and municipal laws, ordinances and regulations and Toyota further agrees to indemnify and hold harmless the Port, its Commissioners, officers, agents and employees from any liability or penalty which may be imposed by governmental authorities by reason of any asserted violation by Toyota or its agents of the foregoing.
- M. Termination by Court Decree: In the event that any court having jurisdiction in the matter shall render a decision which has become final and which will prevent the performance by the Port of any of its obligations under this Lease and Agreement, then either party hereto may terminate

this Lease and Agreement by written notice, and all rights and obligations hereunder (with the exception of any undischarged rights and obligations that accrued prior to the effective date of termination) shall thereupon terminate. If Toyota is not in default under any of the provisions of this Lease and Agreement on the effective date of such termination, any payments prepaid by Toyota shall, to the extent allocable to any period subsequent to the effective date of the termination be promptly refunded to Toyota and all further obligations of the parties shall end except as to liabilities which shall theretofore have accrued and, specifically (but without limitation of the generality of the foregoing statement) Toyota shall be relieved of any further obligation to make any payments which would have become due after the effective date of such termination.

- N. Condition and Surrender of Premises: The taking possession of the premises by Toyota, initially and in the event of relocation thereof, shall in itself constitute acknowledgment that the premises, buildings, improvements, structures and facilities thereon are in good and usable condition. Toyota covenants and agrees that at the expiration of this Lease and Agreement or in the event of relocation it will quit and surrender the premises or the portion thereof which has been withdrawn as the case may be, together with all the improvements, buildings, structures and facilities thereon in as good state and condition as the same were at the commencement of occupancy or use by Toyota, excepting reasonable wear and tear as determined by the Port.

- O. Waivers: No waiver by either party at any time of any of the terms, conditions, covenants or agreements of this Lease and Agreement shall be deemed or taken as a waiver at any time thereafter of the same or any other term, condition, covenant or agreement herein contained, nor of the strict and prompt performance thereof by the proper party.
- P. Labor Disruption: In the event of a strike or other labor disturbance which prevents the movement of cargo to the leased premises, and upon written notification from Toyota to the Port indicating the effective date of such strike or disturbance, the minimum rentals referred to in Article 3 of this Lease and Agreement shall be reduced on a pro rata basis by the ratio of the period of stoppage, less thirty (30) days, to a full Lease Year. In the event a stoppage continues beyond a single Lease Year, the full period of such stoppage in the succeeding Lease Year shall be used in determining the ratio to be used in computing the reduction of the minimum rentals in the succeeding Lease Year. In no event, however, shall the minimum rentals be reduced by more than 25% for any Lease Year.
- Q. Default: This Lease and Agreement is made upon the condition that if the payments, rents or other sums which Toyota herein agrees to pay, or any part thereof, shall be unpaid on the date on which the same shall become due, or if default be made in any of the terms, agreements, conditions or covenants herein contained on the part of Toyota, or should Toyota abandon and cease to use the premises for a period of sixty (60) days at any one time except when prevented by strikes, fire, or other casualty beyond its

control, then and in such event, at the option of the Port, this Lease and Agreement may be terminated and the Port may exercise all rights of entry and re-entry upon the premises. Toyota shall not be considered in default as to any provisions of this Lease and Agreement where such default is the result of, or pursuant to, any process, order or decree of any court or regulatory body. No default shall be declared by the Port as to any breach which may be cured or obviated by Toyota until the expiration of thirty (30) days after written notice by the Port to Toyota of such default and if, during such thirty (30) day period, such default shall have been cured or obviated; provided, that only five (5) days' written notice shall be required in the case of a default in the payment of compensation or other sums herein provided to be paid by Toyota; and provided further, that, except for failure to pay any sums of money when due, no default shall be declared by the Port if Toyota shall commence to cure or obviate such default prior to the expiration of such notice period and shall prosecute such work to completion with reasonable diligence, even though performance of such term, agreement, condition or covenant shall not have been effected or completed strictly within the period during which the same should have been effected or completed.

- R. Applicable Law: It is expressly understood and agreed that this Lease and Agreement and all questions arising thereunder shall be construed according to the laws of the State of Oregon and the United States of America.

- S. Continuation of Lease and Agreement: Upon the expiration of the original term of this Lease and Agreement as set forth in Article 5 hereof, this Lease and Agreement shall continue in full force and effect from year to year, upon the same terms and conditions as herein provided, subject to cancellation and termination, however, by either party upon giving to the other party three (3) months' prior written notice of its intention to cancel and terminate this Lease and Agreement.
- T. Force Majeure: In the event that Toyota's operations upon the premises are required to be suspended by war, governmental decree or condemnation, this Lease and Agreement shall terminate and each party shall be relieved of all further obligation thereunder except as to any obligation which shall have accrued prior to such termination. All damages awarded for the taking of any real property or improvements shall belong to, and be the property of, the Port. It is understood and agreed that in the event of any appropriation or taking by condemnation, Toyota shall have no claim against the Port for loss of use and occupancy of the premises or the part appropriated or taken. Nothing contained herein shall deprive or deny Toyota such lawful claims which Toyota may have against the condemning authority for expenses of moving or other claims not inconsistent with Port's claims as owner of the real property and improvements.
- U. Headings: The Article and Section headings contained herein are for convenience and reference and are not intended to define or limit the scope of any provision of this Lease and Agreement.

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- V. FMC Approval: This Lease and Agreement shall not be effective until approved, if approval is required, by the Federal Maritime Commission pursuant to Section 15 of the Shipping Act, 1916, as amended. The Port shall cause a copy of this Lease and Agreement to be promptly filed with the Federal Maritime Commission. Upon the Port being notified by the Federal Maritime Commission that this Lease and Agreement has been approved or that such approval is not required, the Port shall notify Toyota and this Lease and Agreement shall be effective as of the first day of the month following the month in which such notice is given. If the Federal Maritime Commission determines that such approval is required and disapproves this Lease and Agreement, this Lease and Agreement shall be of no force or effect. The foregoing shall also apply to each amendment hereto if this Lease and Agreement is approved pursuant to Section 15, Shipping Act, 1916, as amended.
- W. Interest in Property Created: The Port and Toyota agree that the interest created by this Lease and Agreement in the property described under Article 1 is and shall be a leasehold interest in said property and that Toyota shall not have a leasehold interest in any other property described in this Lease and Agreement.

IN WITNESS WHEREOF, the parties hereto have subscribed their names this 24th day of January, 1972.

TOYOTA MOTOR SALES, U.S.A., INC.

THE PORT OF PORTLAND

By

D. Kodaira

By

Ken Smeig

By

S. Fallon

By

W. Westendorp

S. Fallon

Amendment No. 1
TOYOTA AUTO FACILITY LEASE
AND AGREEMENT

July 1, 1973

THIS AMENDMENT made and entered into this 1st day of July, 1973, by and between THE PORT OF PORTLAND, a municipal corporation organized and existing under the laws of the State of Oregon, hereinafter called the "Port", and TOYOTA MOTOR SALES, USA, INC., a California corporation, hereinafter called "Toyota,"

W I T N E S S E T H :

WHEREAS, the Port and Toyota entered into a Lease and Agreement dated January 24, 1972 setting forth the rights and obligations of the said parties relating to an auto dock facility and adjoining areas in Portland, Oregon,

NOW, THEREFORE, In consideration of the mutual covenants and agreements herein set forth to be kept and performed by the Port and Toyota, the Port and Toyota agree to amend and revise the aforesaid lease and agreement as follows:

1. Article 1, Section A is hereby revised and amended to read as follows:

ARTICLE 1 - Premises

- A. The leased premises shall be composed of the following land areas and physical facilities located at Terminal No. 4 and described on Exhibit A attached hereto and incorporated herein by reference.

1. Auto Dock Area: Composed of a floating auto dock, ramps, roadways and Office and Lunchroom Building.
 2. Receiving Area: Composed of twenty (20) acres, more or less, graded, paved and fenced and adjacent to the Auto Dock Area.
2. Article 1, Section C is hereby revised and amended to read as follows:
- C. The Port shall reserve for Toyota and Toyota shall have an option to lease an additional ten (10) acres for expansion of or addition to the Receiving Area for a period of four (4) years from July 1, 1973 in accordance with the following terms and conditions:
1. For each acre added to the Receiving Area, the minimum wharfage payment as stated in Article 3-A-3 shall be increased by Two Thousand Four Hundred Dollars (\$2,400) and the Receiving Area minimum as stated in Article 3-B-2 shall be increased by Six Hundred Dollars (\$600).
 2. Additional Receiving Area shall be made available by the Port at no cost to Toyota except for the increase in minimum rent as set forth above.
3. Article 2, Section C Service and Rail Area is deleted and in place thereof shall be added:
- C. Terminal Operation: Toyota shall have the right to act as Terminal Operator for the leased premises. As Terminal Operator Toyota shall have the right to

collect the Service and Facilities charge in the then current Port of Portland Terminal Tariff. In the case that Toyota acts as Terminal Operator, Toyota will, at the lessor's request, perform delivery services for other automobiles using the Terminal 4 auto facility. In this case, the Port will pay a sum equal to sixty cents (\$0.60) per unit delivered by Toyota for the Port. The sixty cents (\$0.60) will be escalated by the same proportion as the Service and Facilities charge in the Port tariff; the base point for the calculation being a Service and Facilities charge of Three Dollars and Eleven Cents (\$3.11) per 2,000 lbs. Toyota may assign its right to act as Terminal Operator subject to all the conditions herein.

4. Article 3, Section A is hereby revised and amended to read as follows:

A. Dock Area:

1. Dockage: It is agreed that Dockage will be billed to the account of the vessel by the Port according to the then current Port Terminal Tariff and all such sums shall be retained by the Port.
2. Wharfage on Automobiles: Toyota agrees to pay to the Port Wharfage on automobiles discharged at the Dock Area based on the following rates (stated in dollar amounts per ton of two thousand (2,000) pounds): Three Dollars and Seventy-five Cents (\$3.75) per ton of two thousand (2,000) pounds.

3. Wharfage Minimums: In no event shall the Wharfage payments for any twelve month period beginning July 1, 1973 be less than Sixty Thousand Dollars. (\$60,000).

Any discharging of automobiles by Toyota at the premises, or at other Port facilities specifically agreed to, shall be billed according to this Article 3-A and Wharfage shall apply against the minimum stated above.

4. Wharfage on Cargo Other than Automobiles: All vehicles and cargo other than automobiles discharged by Toyota at the premises shall be billed and paid for at the then current Port Terminal Tariff and any Wharfage so billed shall apply against the Wharfage minimum.
5. Section B of Article 3 is hereby revised and amended to read as follows:

B. Receiving Area:

1. Receiving Area Rental: For exclusive use of the Receiving Area described above in Article 1-A-2, Toyota agrees to pay the Port a Receiving Area rental fee of One Dollar (\$1.00) per ton for all cargo discharged by Toyota at Portland.
2. Receiving Area Rental Minimum: In no event shall the Receiving Area rental for any twelve month period beginning July 1, 1973 be less than Fifteen Thousand Dollars (\$15,000)

6. Section C of Article 3 is hereby deleted and in place thereof shall be added:

C. Terminal Operator Revenue

For each twelve month period beginning July 1, 1973 one half of all revenues collected for Wharfage and Receiving Area charges in excess of the minimums set forth in Article 3 Section A-3 and Article 3 Section B-2 shall be paid to the Port and one half of said charges in excess of the minimums shall be paid to Toyota or its designated Terminal Operator as set forth in Article 2, Section C.

7. Section B of Article 8 is hereby revised and amended to read as follows:

B. Receiving Area:

1. Toyota shall keep the premises clean and orderly.
2. Toyota shall promptly repair any damage to the premises caused by Toyota, its designees or assignees.
3. The Port shall perform all other maintenance required in the Receiving Area.

8. Section C of Article 8 is hereby revised and amended as follows:

C. Repairs and Alterations required by Government Authority:

Toyota agrees at its sole expense to make all repairs, alterations and improvements required by Federal, State or other governmental law, ordinance, rule regulation or order.

9. Section A of Article 14 is hereby revised and amended to read as follows:

- A. Security of Premises: Toyota shall assume complete responsibility for security of the leased premises and goods thereon except that Toyota shall not have responsibility for the security of cargoes belonging to third parties using the premises pursuant to rights reserved for the Port its designees or assignees under Article 2. The Port assumes no liability or responsibility for loss or damage to the property under control of Toyota, whether caused by fire or other causes, except as follows; for damages clearly caused by vandalism, not including theft, the Port will accept and pay claims. Toyota covenants and agrees to waive any and all claims against Port in connection with such loss or damage, and further covenants and agrees to waive subrogation rights of its underwriters in connection with such loss or damage. The Port assumes no liability for the security of the premises, but reserves the right to police the use of the premises as to fire or other hazard without assuming responsibility or obligation in connection therewith. The Port assumes no responsibility for the handling of or placement of insurance upon any cargo moving over the premises.

10. All other terms and conditions of the aforesaid Lease and Agreement dated January 24, 1972 shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have subscribed their names this
8th day of August, 1973.

TOYOTA MOTOR SALES, U.S.A., INC.

THE PORT OF PORTLAND

By T. H. GrubbsBy John M. FurumBy Hiroyuki AmadBy E. Westlund

APPROVED AS TO FORM

Myrd B. Kotisa
of Counsel for The Port of Portland

F-30

1-6

6/19/73 rev.

LEASE

BETWEEN

THE PORT OF PORTLAND

AND

KNAPPPTON CORPORATION

FEBRUARY, 1982

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LEASE

THIS LEASE, dated April 9, 1988~~2~~, by and between THE PORT OF PORTLAND, a municipal corporation of the state of Oregon, hereinafter referred to as Port, and KNAPPTON CORPORATION, a corporation organized under the laws of the state of Washington, hereinafter referred to as Lessee,

W I T N E S S E T H:

ARTICLE I - PREMISES

Section 1.01 - Description: Port leases to Lessee, on the terms and conditions stated below, the premises consisting of two and 53/100 acres (2.53) of water surface area and six (6) existing dolphins located within the two and 53/100 acres (2.53) adjacent to Port of Portland property at Terminal 4 described in Drawing No. T-4 82-1, attached hereto and made a part hereof.

Section 1.02 - Use of Premises: Lessee may use the premises only for the following purpose: barge mooring attendant to Lessee's tug and barge operation. Any other use must be approved by the Port which approval shall not be unreasonably withheld. Barges shall not impede navigation or use of adjacent properties.

Section 1.03 - Access to Premises Through Terminal 4: Lessee and its agents shall obtain Port of Portland Terminal 4 management approval to access the leased premises by passing through Terminal 4.

ARTICLE II - TERM

The term of this Lease shall be for five (5) years commencing on March 15, 1982, and shall continue through March 15, 1987, unless sooner terminated under provisions of this Lease..

ARTICLE III - RENTAL

Section 3.01 - Rent: Lessee shall pay the Port annual rental equal to the sum of three percent (3%) of Eighty Thousand and No/100 Dollars (\$80,000.00) per acre, the value of the upland area adjacent to the lease area, for two and 53/100 acres (2.53) of water surface area as shown on Drawing No. T-4 82-1 plus One Thousand Fifty and No/100 Dollars (\$1,050.00) per year for the use of the six (6) existing dolphins within the lease area. The initial rent is Seven Thousand One Hundred Twenty-Two and No/100 Dollars (\$7,122.00) per twelve (12) month period.

Section 3.02 - Oregon Submerged Land Rental: In addition, Lessee shall pay the submerged land lease rental as established by the Oregon Division of State Lands.

Section 3.03 - Time and Place of Payments: Lessee shall pay Port monthly, on or before the tenth (10th) day of each calendar month, one-twelfth (1/12) of the then prevailing annual rental, plus one-twelfth (1/12) of the annual submerged lease rental of the Oregon Division of State Lands. Monthly invoices will be sent to Lessee, however, failure of the Lessee to receive an invoice from the Port does not relieve the Lessee from responsibility of making full payment when due.

Payment shall be to the Port at its offices in Portland, Oregon, or such other place as the Port may designate. All amounts not paid by Lessee when due shall bear interest at the rate of eighteen percent (18%) per annum. The interest rate of eighteen percent (18%) on overdue accounts is subject to periodic adjustment to reflect the Port's then current interest rate charged on overdue accounts.

ARTICLE IV - LESSEE OBLIGATIONS

Section 4.01 - Construction of Improvements:

A. Lessee shall construct at Lessee's expense, any additional mooring dolphins or other mooring devices as approved by Port.

B. Prior to any construction, alteration or changes upon the leased premises, Lessee shall submit to Port final plans and specifications, and shall not commence any construction until it has received Port's written approval. No access to land from the leased water sur-

face is permitted without Port approval and adjustment of rental to this Lease.

Section 4.02 - Title to Improvements: Upon termination of this Lease by the passage of time or otherwise, the Port shall have the option to either require removal of all structures, installations or improvements constructed or installed by Lessee within ninety (90) days after the expiration of the Lease at Lessee's expense or shall have the option to take title to such structures, installations and improvements, unless otherwise provided for in Section 5.01 - Cancellation by the Port. All improvements existing within the lease area prior to the initiation of this lease are and shall remain the property of the Port and shall not be removed by Lessee.

Section 4.03 - Maintenance: Lessee shall keep and maintain the leased premises and all improvements of any kind including the six (6) dolphins existing in the lease area prior to initiation of this lease and any improvements which may be erected, installed or made thereon by Lessee, in good and substantial repair and condition, and shall make all necessary repairs and corrections thereto.

Section 4.04 - Taxes: Lessee agrees to pay all lawful taxes and assessments which during the term hereof or any extension may become a lien or which may be levied by the state, county, city, or any other tax levying body upon the premises or upon any taxable interest by

Lessee acquired in this Lease or any taxable possessory right which Lessee may have in or to the premises or facilities hereby leased or the improvements thereon by reason of its occupancy thereof as well as all taxes on all taxable property, real or personal, owned by Lessee in or about said premises. Upon making such payments, Lessee shall give to the Port a copy of the receipts and vouchers showing such payment. Upon any termination of tenancy, all taxes or fees then levied or then a lien on any of said property or taxable interest therein shall be paid in full without proration by Lessee forthwith or as soon as a statement thereof has been issued by the tax collector.

If termination of tenancy is initiated by the Port as provided in Section 5.01 - Cancellation by the Port, Port will assume responsibility for the prorated portion of taxes and fees due for the unexpired term. Lessee will remain responsible, however, for all liens on any of said property or taxable interest levied prior to date of termination by Port exercised under the provisions of Section 5.01 - Cancellation by the Port.

ARTICLE V - CANCELLATION

Section 5.01 - Cancellation by the Port: This Agreement may be cancelled by the Port at any time in its absolute discretion by giving sixty (60) days prior written notice to Lessee.

Section 5.02 - Reimbursement Upon Cancellation: Upon termination of this Lease Agreement by cancellation pursuant to Section 5.01, the Port shall reimburse Lessee, in full, less any amounts due to the Port from Lessee, for the unamortized value of the leasehold improvements set forth in Section 4.01 in use upon the leased premises at date possession is given to the Port. The economic life and cost of the leasehold improvements to be installed by Lessee, will be in accordance with plans and specifications as approved by Port and as agreed upon by the Port and Lessee. For the purposes of this cancellation provision, the economic life of any and all improvements installed in the lease area by Lessee in accordance with Section 4.01 shall be computed from commencement date of this lease regardless of when installed during the lease term. Payments of the unamortized leasehold improvements so computed shall be made by the Port. Upon such payment by the Port, title to said improvements shall vest in the Port, and Lessee shall have no further rights or title to the leasehold improvements or to said improvements.

ARTICLE VI - INDEMNITY AND INSURANCE

Section 6.01 - Indemnity: Lessee agrees fully to indemnify, save harmless and defend the Port, its commissioners, officers and employees from and against all claims and actions and all expenses incidental to the investigation and defense thereof, based upon or arising out of damages or injuries to third persons or their property, caused by the fault or negligence in whole or in part of the Lessee, its subtenants or employees in the use or occupancy of the premises hereby

leased; provided that the Port shall give to the Lessee prompt and reasonable notice of any such claims or actions, and the Lessee shall have the right to investigate, compromise and defend same, provided such claim is not the result of negligent act of the Port.

Section 6.02 - Insurance:

A. Lessee shall maintain comprehensive general liability and protective indemnity insurance for the protection of Lessee, its directors, officers, servants and employees, insuring Lessee against liability for damages because of personal injury, bodily injury, death, or damage to property, including loss of use thereof, and occurring on or in any way related to the premises leased or occasioned by reason of the operations of the Lessee with insurance of not less than one million and No/100 Dollars (\$1,000,000.00) combined single limit. Such insurance shall name the Port, its commissioners, officers, and employees as additional named insureds with the stipulation that this insurance, as to the interest of the Port only therein, shall not be invalidated by any act or neglect or breach of contract by the Lessee.

B. Lessee shall furnish to the Port certificates evidencing the date, amount and type of insurance that has been procured pursuant to this Lease. All policies of insurance will provide for not less than thirty (30) days written notice to the Port and the Lessee before such policies may be revised, nonrenewed or cancelled.

Section 6.03 - Waiver of Subrogation: The Port and Lessee agree that each forfeits any right of action that it may later acquire against the other of the parties to the Lease for loss or damage to its property, or to property in which it may have an interest, where such loss is caused by fire, or any of the extended coverage hazards, and arises out of or is connected with the leasing of the premises.

ARTICLE VII - DEFAULT

Section 7.01 - Events of Default:

A. Default in Rent: Failure of Lessee to pay rent or other charge within fifteen (15) days after it is due.

B. Default in Other Covenants: Failure of Lessee to comply with any term or condition or fulfill any obligation of the Lease (other than the payment of rent or other charges) within thirty (30) days after written notice by the Port specifying the nature of the default with reasonable particularity. If the default is of such a nature that it cannot be completely remedied within the thirty (30) day period, this provision shall be complied with if Lessee begins correction of the default within the thirty (30) day period and thereafter proceeds with reasonable diligence and in good faith to effect the remedy as soon as practicable.

C. Default - Cancellation Provision: In the event of default for any reason, the Port will not reimburse Lessee for unamortized amount of improvements as provided for in Section 5.02 - Reimbursement upon Cancellation.

D. Insolvency: Insolvency of Lessee; an assignment by Lessee for the benefit of creditors; the filing by Lessee of a voluntary petition in bankruptcy; an adjudication that Lessee is bankrupt or the appointment of a receiver of the properties of Lessee; the filing of an involuntary petition of bankruptcy and failure of the Lessee to secure a dismissal of the petition within thirty (30) days after filing; attachment of or the levying execution on the leasehold interest and failure of the Lessee to secure discharge of the attachment or release of the levy of execution within ten (10) days.

E. Abandonment: Failure of the Lessee for fifteen (15) days or more to occupy the leased premises for one or more of the purposes permitted under this Lease unless such failure is excused under other provisions of this Lease.

Section 7.02 - Remedies on Default: In the event of a default, the Port at its option may terminate the Lease by notice in writing by certified mail to Lessee. The notice may be given before or within thirty (30) days after the running of the grace period for default and may be included in a notice of failure of compliance. If the leased premises is abandoned by Lessee in connection with a default, termination shall be automatic and without notice.

A. Damages: In the event of termination on default, the Port shall be entitled to recover immediately, without waiting until the due date of any future rent or until the date fixed for expiration of the lease term, the following amounts as damages:

1. Any excess of (a) the value of all of Lessee's obligations under this Lease, including the obligation to pay rent, from the date of default until the end of the term, over (b) the reasonable rental value of the property for the same period figured as of the date of default.
2. The reasonable costs of reentry and reletting including without limitation the cost of any cleanup, refurbishing, removal of Lessee's property and fixtures, or any other expense occasioned by Lessee's failure to quit the premises upon termination and to leave them in the required condition, any reasonable restoration costs, attorney fees, court costs, broker commissions and advertising cost.
3. The loss of reasonable rental value from the date of default until a new tenant has been, or with the exercise of reasonable efforts could have been, secured.

B. Reentry After Termination: If the lease is terminated for any reason, Lessee's liability to the Port for damages shall survive such termination, and the rights and obligations of the parties shall be as follows:

1. Lessee shall vacate the property immediately, remove any property of Lessee including any fixtures which Lessee is required to remove at the end of the lease term, perform any cleanup, alterations or other work required to leave the leased premises in the condition required at the end of the term.
2. Port may reenter, take possession of the premises and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages.

C. Reletting: Following reentry or abandonment, Port may relet the premises and in that connection may:

1. Make any suitable alterations or refurbish the premises, or both, or change the character or use of the premises, but the Port shall not be required to relet for any use or purpose (other than that specified in the Lease) which the Port may reasonably consider injurious to the premises, or to any tenant which the Port may reasonably consider objectionable.
2. Relet all or part of the premises, alone or in conjunction with other properties, for a term longer or

shorter than the term of this Lease, upon any reasonable terms and conditions, including the granting of some rent-free occupancy or other rent concession.

ARTICLE VIII - TERMINATION

Upon termination of the Lease for any reason, Lessee shall surrender the leased premises in good condition. Alterations constructed by the Lessee with permission from the Port shall not be removed or restored to the original condition unless the terms of permission for the alteration so require. Depreciation and wear from ordinary use for the purpose for which the premises were let need not be restored, but all repair for which the Lessee is responsible shall be completed to the latest practical date prior to such surrender.

ARTICLE IX - GENERAL PROVISIONS

Section 9.01 - Assignment of Interest or Rights: Neither Lessee nor any assignee or other successor of Lessee shall in any manner, directly or indirectly, by operation of law or otherwise, sublease, assign, transfer or encumber any of Lessee's rights in and to this Lease or any interest therein, nor license or permit the use of the rights herein granted in whole or in part without the prior written consent of the Port.

Lessee shall not assign all or any part of its rights and interests under this Lease to any successor to its business through

merger, consolidation, or voluntary sale or transfer of substantially all of its assets, without prior written approval of the Port.

Section 9.02 - Nonwaiver: Waiver by either party of strict performance of any provision of this Lease shall not be a waiver of or prejudice the party's right to require strict performance of the same provision in the future or of any other provision.

Section 9.03 - Attorney Fees: If suit or action is instituted in connection with any controversy arising out of this Lease, the prevailing party shall be entitled to recover in addition to costs such sum as the court may adjudge reasonable as attorney fees, or in the event of appeal as allowed by the appellate court.

Section 9.04 - Statutory Provisions: This Lease is subject to the provisions of Oregon Revised Statutes 279.312 through 279.320, inclusive, which by this reference are incorporated herein as fully as though set forth verbatim. Lessee shall comply with all local, state, and federal laws and regulations.

Section 9.05 - Time of Essence: It is mutually agreed that time is of the essence in the performance of all covenants and conditions to be kept and performed under the terms of this Lease.

Section 9.06 - Warranties/Guarantees: Port makes no warranty, guarantee, or averment of any nature whatsoever concerning the phys-

ical condition of the leased premises, and it is agreed that Port will not be responsible for any loss, damage or costs which may be incurred by Lessee by reason of any such physical condition.

Section 9.07 - Headings: The article and section headings contained herein are for convenience in reference and are not intended to define or limit the scope of any provisions of this Lease.

Section 9.08 - Consent of Port: Whenever consent, approval or direction by the Port is required under the terms contained herein, all such consent, approval or direction shall be received in writing from the Executive Director of The Port of Portland which approval shall not be unreasonably withheld.

Section 9.09 - Notices: All notices required under this Lease shall be deemed to be properly served if sent by certified mail to the last address previously furnished by the parties hereto. Until hereafter changed by the parties by notice in writing, notices shall be sent to the Port at The Port of Portland, Post Office Box 3529, Portland, Oregon 97208, and to the Lessee, Knappton Corporation, P.O. Box 03018, Portland, Oregon 97203. Date of Service of such notice is date such notice is deposited in a post office of the United States Post Office Department, postage prepaid.

Section 9.10 - Modification: Modification of the Lease as to term, area or any reason shall result in renegotiation of the rental.

IN WITNESS WHEREOF, the parties hereto have subscribed their names.

KNAPPTON CORPORATION

By James Michael Wallace

By _____

APPROVED AS TO FORM

Counsel for Lessee

03/09/82
0372L:06L316

THE PORT OF PORTLAND

By John C. Caldwell
PRESIDENT

By Steve A. Underwood
ASST. SECRETARY

APPROVED AS TO FORM

Betty J. Curoot
Counsel for
The Port of Portland

Approved by Commission

3-10-82

ca 1510 ca 321

AGREEMENT

This Agreement, made and entered into this 11th of January, 1954, by and between Investors Associated, Inc., a corporation, hereinafter called the Seller, and (b) (6) and (b) (6), husband and wife, hereinafter called the Purchasers,

W I T N E S S E T H

That the Seller agrees to sell to the Purchasers and the Purchasers agree to purchase of the Seller the following described real estate, with the appurtenances, situate in the County of Multnomah, State of Oregon, to-wit:

A tract of land lying in Sections 11 and 12, Township 1 North, Range 1 West of the Willamette Meridian, in the City of Portland, more particularly described as follows:

Beginning at a point on the westerly line of W. Bradford Street, which point is 153.10 feet, more or less, measured at right angles, from the northerly line of N. St. Louis Avenue; thence South 55°30' West parallel with the northerly line of N. St. Louis Avenue a distance of 215 feet, more or less, to the established Harbor Line on the right bank of the Willamette River; thence northwesterly and downstream, along said Harbor Line, to a point which is 431.79 feet, when measured at right angles, from the first course herein; thence North 55°30' East 875 feet, more or less, to the westerly line of W. Bradford Street; thence southeasterly along the westerly line of W. Bradford Street a distance of 201.79 feet, more or less, to the place of beginning, being a part of James John D.L.G. and containing four acres, more or less.

Subject to the rights of the public and of governmental bodies in and to any portion of the above property lying below low water mark of the Willamette River.

The terms and conditions of this agreement are as follows: The purchase price is \$32,000, of which \$5,000 has been paid, receipt whereof is hereby acknowledged by the Seller, and the balance of said purchase price, to-wit, \$27,000, shall be paid at the rate of not less than \$300 per month, the first of said monthly payments of not less than \$300 to be made on or before the 15th day of February,

1949, and a like payment of not less than \$100, to be made on or before the 1st day of each month thereafter until the full purchase price has been paid. In addition to the monthly payment of not less than \$100, the Purchasers agree to pay interest at the rate of 6% per annum upon the deferred balances, the accrued interest to be paid concurrently with each monthly payment. All or any part of said purchase price may be paid at any time.

The Purchasers shall be entitled to take possession of said premises upon execution of this agreement and may retain possession so long as they are not in default in the performance of their obligations under the terms of this agreement. Purchasers agree that a full inspection of said premises has been made and agree to accept said premises in their present condition. Specifically Purchasers accept the presently existing arrangements which Seller has made with the Port of Portland for the depositing of silt by dredging operations upon the premises.

Taxes on said premises for the current fiscal year shall be pro-rated between the parties hereto as of the date of the execution of this agreement. Purchasers agree to pay before delinquency all taxes hereafter levied against said property, all water rents and all public and municipal liens and charges which may hereafter be lawfully imposed upon said premises. Purchasers further agree to keep said premises free of mechanics' and other liens, to save Seller harmless therefrom and to reimburse Seller for all costs and attorneys' fees incurred by it in defending against any of such liens. In case the Purchasers shall fail to pay any of such taxes, assessments, liens or charges, the Seller may make such payment and any amount so paid by the Seller, together with interest thereon from date of payment until repaid at the rate of 6% per annum, shall be repayable by the Purchasers on demand, all without prejudice to any other right the

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It is further agreed between the parties that time and strict performance are of the essence of this agreement; that in case the Purchasers shall fail to make any of said payments of principal and interest within 10 days from the time the same become due and payable, or fail to keep any of the other terms of this agreement, upon 30 days written notice of such delinquency, without the same being rectified, Seller may, at its option, declare the entire unpaid balance of this contract immediately due and payable, and may, at any time thereafter, foreclose this agreement as by law and equity provided, in which event all interest of Purchasers or assigns shall utterly cease, payments theretofore made being taken as a reasonable rental of the premises, and in case of suit or action to enforce any of the terms of this agreement or foreclosure, Purchasers agree to pay such sum as the Court may adjudge reasonable as attorney's fees for plaintiff in such suit or action.

Purchasers agree that failure by Seller at any time to require performance by the Purchasers of any provision hereof shall in no way affect its right hereunder to enforce the same, nor shall any waiver by Seller of any breach of any provision hereof be held to be a waiver of any succeeding breach of any such provision, or as a waiver of the provision itself.

This agreement shall be binding upon, and inure to the benefit of, the successors and assigns of the Seller, and the heirs, personal representatives and assigns of the Purchasers.

IN WITNESS WHEREOF Seller has caused this agreement to be signed by its President and Secretary, and its corporate seal to be affixed, and Purchasers have executed the same, on the day and year first above written.

INVESTORS ASSOCIATED, INC.
a corporation

By George E. Hall
President
and John L. Hall
Secretary

(b) (6)

PURCHASERS

Page 2 of 2
Exhibit A

DIVISION OF
STATE LANDS

AUG 10 10 21 AM '92

STATE OF OREGON
DIVISION OF STATE LANDS

SUBMERGED AND SUBMERSIBLE LAND LEASE

ML-681

1. PARTIES

The parties to this Lease are the STATE OF OREGON, acting by and through the Division of State Lands, ("STATE") and Port of Portland, ("LESSEE").

2. LEASED PREMISES

STATE, for the consideration and upon the terms and conditions herein mentioned, does hereby lease to the LESSEE the following property:

As described and shown in Lease Exhibit A attached.

hereinafter referred to as the "Leased Premises."

3. PURPOSE

LESSEE shall have exclusive possession of the Leased Premises for the sole purpose of a barge moorage and for no other purpose without prior written consent of STATE. This instrument does not guarantee that any particular use may be made of the Leased Premises. LESSEE should check with appropriate city or county planning department to verify approved uses.

4. TERM OF LEASE

The LESSEE, subject to compliance with the terms and provisions of this Lease, shall have and hold the Leased Premises for the purposes stated above from September 1, 1992, through August 31, 1997.

5. LEASE PAYMENT

The lease payment to be paid by LESSEE to STATE shall be \$14,525.00 per year. Receipt of the first year's lease payment is hereby acknowledged. Lease payments shall be payable annually and shall be due on the 1st day of September in advance. Payments shall be sent to the Division of State Lands, 775 Summer Street NE, Salem, Oregon 97310-1337. STATE shall give LESSEE 30 days advance notice of the due date and amount of the lease payment due.

6. LEASE PAYMENT INCREASES

Lease payment increases shall be made in accordance with the lease provisions of the Oregon Administrative Rules applying to state-owned submerged and submersible lands which are in effect at the time of redetermination. Lease payment increases may be appealed by the LESSEE. LESSEE must file its appeal in writing within 14 days of the notice of increase. The notice of appeal is to be sent to the attention of the Director, Division of State Lands, 775 Summer Street NE, Salem, Oregon 97310-0230, and must include market data or other information to support the request for review. Upon filing of an appeal, the STATE will schedule an informal hearing before the Director or designee. Neither party to a redetermination appeal is entitled to recover attorney's fees.

7. ACCESS TO PROPERTY AND RECORDS

STATE shall have access to the Leased Premises at all reasonable times for the purpose of ensuring compliance with the terms and conditions of this Lease. STATE shall have the right to examine pertinent records of LESSEE for the purpose of ensuring compliance with the Lease and for the purpose of redetermining the lease payment rate.

8. DELIVERY OF PREMISES

Delivery of the Leased Premises will occur upon the date of execution of this Lease. STATE will not provide a survey or pay any costs of a survey to determine boundaries. It is the LESSEE's responsibility to make an accurate determination of the boundaries. The legal description provided by STATE is drawn from an assessor's map and other data deemed to be reliable. If LESSEE elects not to have a survey performed and a discrepancy or boundary overlap later becomes evident, STATE, at its discretion, may provide a corrected description of the Leased Premises.

9. RESERVATIONS

The interest of LESSEE under this Lease shall at all times be subject to STATE's right to grant rights-of-way in and over said property or a portion of the property for other purposes, including, but not limited to, railroads, telegraph and telephone lines, pipelines, irrigation or other water canals and ditches, and to STATE's right to lease all or part of the property for the exploration, discovery, development and production of oil, gas, or minerals of any nature whatsoever, provided the right-of-way or lease does not unreasonably interfere with the purpose of this Lease.

10. CONDITIONS OF THE PROPERTY

LESSEE certifies that it has inspected the Leased Premises and is fully informed as to their condition. LESSEE agrees to accept the Leased Premises as is and with all faults. LESSEE acknowledges that no representations or warranties of any kind have been made by STATE.

11. COMPLIANCE WITH LAW

LESSEE shall comply with all applicable federal, state, and local statutes, ordinances, rules and regulations in its use of the Leased Premises. This Lease does not give LESSEE permission to conduct any use on the Leased Premises which is not in conformance with applicable land use requirements, and it is the LESSEE's responsibility to determine and comply with those and all other requirements.

12. TAXES, LIENS, ASSESSMENTS, CHARGES

LESSEE shall pay before they become delinquent all taxes, assessments, penalties, fines, charges, rates or liens of any nature whatsoever that may be levied, assessed, charged, imposed or claimed on or against the Leased Premises or any improvements or fixtures thereon or appurtenances thereto. If LESSEE fails to pay any taxes, assessments, penalties, fines, charges, rates or liens, within ten (10) days after notice that such sums are due, STATE may pay such sums. Any such sums paid by STATE shall be reimbursed on demand with interest at the maximum legal rate pursuant to ORS 82.010 from the date of expenditure by STATE until paid.

13. PREVENTION OF WASTE, DAMAGE AND INJURY

LESSEE shall exercise reasonable diligence in its operation on and from said Leased Premises; shall carry on all operations hereunder in a good and workmanlike manner having due regard for public safety and the prevention of waste and for the restoration and conservation of said Leased Premises for future use, and shall take all reasonable steps to avoid damage to soil, timber, fish and fish habitat, wildlife and wildlife habitat and water quality of both ground water and surface water; shall make all reasonable efforts to minimize interference with existing navigational and recreational activities and scenic values; shall substantially restore the Leased Premises to its original condition and shall do all things reasonably necessary to minimize erosion.

14. EXCLUSIVITY

Subject to the provision of Section 9 (Reservations), the rights and privileges granted under this Lease are exclusive, except that LESSEE shall not unreasonably interfere with the public's right of navigation, commerce, fishing and recreation in the open water areas of the Leased Premises.

15. PUBLIC SAFETY

Subject to the provision of Section 14 (Exclusivity), the LESSEE may restrict entry to any portion of the Leased Premises as may be necessary to protect persons and property from harm arising from or in connection with the LESSEE's activities upon the Leased Premises.

16. ASSIGNMENT OR SUBLEASE

This section shall not apply to the Lessee's existing sublease to Brix Maritime Company to which the STATE gives its consent concurrent with the execution of this Lease. With respect to any assignment, mortgage, or sublease, the following provisions shall apply: other

- 16.1 RESTRICTIONS: Except as provided for in subsection 16.2, LESSEE's interest in the Leased Premises or any part thereof shall not be assigned, mortgaged or subleased, nor shall any right of use of said Leased Premises be conferred on any third person by another means without the prior consent of STATE. Said consent shall not be unreasonably withheld or delayed. This provision shall apply also to all transfers by operation of law. Except as provided in subsection 16.2, any assignment, or attempted assignment, subletting, or attempted subletting, or grant of right of use, or attempted grant of right of use without such consent, shall be absolutely null and void and shall, at the option of STATE, terminate all rights of the LESSEE under or by virtue of this Lease. STATE may, in its discretion, consent to an assignment or sublease provided the following conditions are satisfied:
- 16.1.1 A fee of \$125 is prepaid to cover administrative costs, and
 - 16.1.2 LESSEE has satisfied all conditions of the lease precedent to assignment or sublease, and
 - 16.1.3 LESSEE and its assignee have completed a standard assignment form or new lease form as required by STATE, and have assured the STATE that the assignee or sublessee has the capability to perform on the Lease, and
 - 16.1.4 STATE determines that such assignment or sublease is in the best interest of the STATE.
- 16.2 PERMITTED ASSIGNMENTS: The following assignments, mortgages and security interests, and subleases of the LESSEE's interest in the Leased Premises shall be allowed without further STATE approval:
- 16.2.1 Subleases and subsubleases of portions of the LESSEE's interest in the Leased Premises, in the ordinary course of LESSEE's business or portions thereof for uses of the Leased Premises approved under this Lease.
 - 16.2.2 Any mortgage(s), trust deed(s) or other encumbrance(s) which LESSEE may cause to attach to LESSEE's interest in the Leased Premises (1) in connection with the acquisition or refinancing(s) of the acquisition of the improvements in, on or about the Leased Premises and (2) in connection with financing and refinancing (a) development, construction, reconstruction, maintenance or repair of improvements on the Leased Premises and (b) operations on or about the Leased Premises. Within ten (10) days of any transfer pursuant to this subsection 16.2.2, LESSEE shall provide STATE the name and business address of any entity obtaining a security interest pursuant to this subsection 16.2.2.

INITIAL
[Signature]
[Signature]

- 16.2.3 Transfers to any entity or entities which controls, is controlled by, or is under common control with LESSEE.

17. ALTERATIONS AND IMPROVEMENTS

LESSEE shall obtain the written consent of STATE prior to making any alterations to the Leased Premises or improvements upon the Leased Premises.

18. DEFAULT

- 18.1 DEFAULT, NOTICE AND CURE BY LESSEE: A default by the LESSEE shall occur if any of the following shall occur and if said default shall continue and not be remedied within sixty (60) days after STATE shall have given notice specifying the breach (within ten (10) days for delinquency or failure to pay rent.)
- 18.1.1 Delinquency or failure to pay rent in the amounts and at the time specified in the Lease.
 - 18.1.2 Failure of LESSEE to comply with any term or condition imposed by the STATE in the Lease.
 - 18.1.3 Failure of LESSEE to use the Leased Premises for the purposes authorized under the terms of the Lease.
 - 18.1.4 LESSEE maintaining a nuisance on the Leased Premises.
 - 18.1.5 Insolvency of LESSEE; an assignment by LESSEE for the benefit of creditors; the filing by LESSEE of a voluntary petition in bankruptcy; an adjudication that LESSEE is bankrupt or the appointment of a receiver of the properties of LESSEE; the filing of any involuntary petition of bankruptcy and the failure of LESSEE to secure a dismissal of the petition within thirty (30) days after filing; attachment of or the levying of execution on the leasehold interest and failure of LESSEE to secure discharge of the attachment or release of the levy of execution within ten (10) days.
 - 18.1.6 Failure by LESSEE to remove any lien or encumbrances placed upon the Leased Premises other than a lien or encumbrance on LESSEE's interest permitted by Section 16 of this Lease.
- 18.2 MORTGAGEE PROTECTION PROVISION: Whenever the STATE shall deliver any notice or demand to the LESSEE with respect to any breach or default by the LESSEE in its obligations or covenants under this Lease, the STATE shall at the same time forward a copy of such notice or demand to each holder of any mortgage authorized by this Lease at the last address of such holder shown in the records of the STATE. After any default in or breach of the Lease by the LESSEE or its successor in interest, each holder of any mortgage permitted under the Lease shall (insofar as the rights of the STATE are concerned) have the right after the failure of the LESSEE to cure or remedy said default or breach, at its option, to cure or remedy such breach or default (or such breach or default to the extent that it relates to the part of the land covered by its mortgage) within sixty (60) days and to add the cost thereof to the mortgage debt and the lien of its mortgage. The mortgage holder's exercise of its option to cure or remedy any default by LESSEE shall not constitute grounds for termination of this Lease by STATE. In the event the holder of any mortgage which LESSEE has caused to attach to LESSEE's interest in the Leased Premises forecloses on the leasehold estate then STATE shall enter into a new lease with that lienholder on the same terms and conditions as this Lease.

19. LATE PAYMENT PENALTY

If STATE has not received the full amount of the lease payment due within ten (10) calendar days from the due date, STATE may impose a late payment penalty on the LESSEE in the amount not to exceed five percent (5%) of the overdue payment. The late fee penalty may only be charged once on any payment due. Alternatively, at the STATE's option, a late payment penalty may be charged which is the interest due at the maximum legal rate pursuant to ORS 82.010 on the late payment from the date due until paid.

20. TERMINATION

- 20.1 TERMINATION UPON LESSEE'S DEFAULT: In the event of a default by LESSEE, the Lease may be terminated at the option of STATE by thirty (30) days advance notice in writing to LESSEE. In the event the Lease is terminated by either party, all remedies afforded under this Lease in Section 24 herein shall survive such termination. LESSEE shall have thirty (30) days after date of termination to remove all fixtures and property from the Leased Premises. Failure to remove such items within the thirty (30) day period will constitute abandonment by the LESSEE and, subject to the rights of any secured parties having a security interest in such fixtures and property, the STATE shall take title to the property after the expiration of thirty (30) days, in which event STATE may reenter, take possession of the Leased Premises and remove any persons or property by legal action or by self-help with the use of reasonable force and without liability for damages directly resulting from such reasonable force.
- 20.2 STATE'S OPTION TO MITIGATE: Following reentry, STATE may relet the Leased Premises and in that connection make any suitable alteration to the Leased Premises or change the character or use of the Premises but STATE shall not be required to relet for any use or purpose (1) which is different from that specified in the Lease or (2) which STATE may reasonably consider injurious to the Premises or (3) to any LESSEE which STATE may reasonably consider objectionable. STATE may relet all or part of the Leased Premises, alone or in conjunction with other properties, for a term longer or shorter than the term of this Lease, upon any reasonable terms and conditions.
- 20.3 DAMAGES RECOVERABLE UPON TERMINATION: In the event of termination on default, as provided by Section 18 of this Lease, STATE shall be entitled to recover the following amounts as damages:
- 20.3.1 The loss of reasonable rental value from the date of default until a new lease has been, or with the exercise of reasonable efforts could have been, secured.
 - 20.3.2 The reasonable cost of reentry and reletting, including the reasonable and necessary costs of any clean-up, refurbishing, removal of LESSEE's property and fixtures, or any other necessary expense directly resulting from LESSEE's failure to quit the Leased Premises upon termination and to leave them in the required conditions, including reasonable attorneys fees, court costs, and advertising costs.
 - 20.3.3 Any excess of the value of the rent and all of LESSEE's other obligations under this Lease over the reasonable expected return from the Premises for the period commencing on the earlier of the date of trial or the date the Premises are relet and continuing through the end of the term. The present value of future amounts will be computed using a discount rate equal to the prime loan rate of major Oregon banks in effect on the date of trial.

20.4 TERMINATION UPON MUTUAL CONSENT: This Lease may be terminated by the Lessee upon 60 days prior written notice to the STATE assuming no further leasable use is made of the Leased Premises and Lessee is in compliance with all terms of this Lease.

21. DELIVERY OF PREMISES: SURRENDER

In the event the Lease is terminated, or upon expiration, LESSEE shall have thirty (30) days within which to vacate the Leased Premises and shall surrender the Leased Premises in substantially the original condition as of the date of this Lease. STATE may require LESSEE to restore the Leased Premises to the original condition as of the date of this Lease or STATE may itself restore the Leased Premises and recover its reasonable and necessary restoration costs from LESSEE.

22. FIXTURES AND PERSONAL PROPERTY

All fixtures and personal property placed upon the Leased Premises during the term shall, upon expiration or termination of the Lease, become the property of STATE if not removed by LESSEE within thirty (30) days as provided in subsection 20.1 and if not subject to the rights of any secured party having a security interest in such fixtures or personal property. LESSEE shall repair any physical damage resulting from such removal. If LESSEE fails to remove such fixtures, this shall constitute an abandonment of the property, and STATE may retain the property and all rights of LESSEE with respect to it shall cease. In the event of such abandonment, STATE may remove such fixtures and personal property and repair any physical damage resulting from such removal and charge the reasonable and necessary costs of removal and repair to LESSEE with interest at the maximum legal rate pursuant to ORS 82.010 from the date of expenditure by STATE.

23. HOLDOVER

If LESSEE does not vacate the Leased Premises at the time required, upon expiration or termination of this Lease, STATE shall have the option to treat LESSEE as a tenant from month to month, subject to all of the provisions of this Lease except the provisions for term. Failure of LESSEE to remove fixtures, equipment and/or other property which LESSEE is required to remove under this Lease, in the manner provided for in sections 20 and 22, shall constitute a failure to vacate to which this paragraph shall apply if the property not removed will substantially interfere with occupancy of the Leased Premises by another lessee or with occupancy by STATE for any purpose including preparation for a new lessee.

If a month to month tenancy results from a holdover by LESSEE under the above paragraph, the tenancy shall be terminable at the end of any monthly lease payment period on written notice from STATE given not less than ten (10) days prior to the termination date which shall be specified in the notice. LESSEE waives any notice which would otherwise be provided by law with respect to a month to month tenancy.

24. STATE'S RIGHT TO CURE DEFAULTS

If LESSEE fails to perform any obligation under this Lease, STATE shall have the option to do so after thirty (30) days' written notice to LESSEE unless otherwise specified in this Lease. All of STATE's reasonable and necessary expenditures to correct the default shall be reimbursed by LESSEE on demand with interest at the maximum legal rate pursuant to ORS 82.010 from the date of expenditure by STATE until paid.

In the event any violation or breach of the provisions of this lease is causing damage to the Leased Premises or the LESSEE is utilizing the Leased Premises in a manner not permitted by the provisions of this Lease, or in any case damages are occurring to the Leased Premises, STATE may immediately enter upon the Leased Premises and take such action as necessary to cease such damages or use. LESSEE shall be liable to STATE for all reasonable and necessary costs incurred in correcting such violations.

25. RIGHT TO SUE MORE THAN ONCE

STATE may sue periodically to recover damages for the period corresponding to the remainder of the lease term and no action for damages shall bar later action for damages subsequently accruing.

26. REMEDIES CUMULATIVE

The remedies contained in this Lease shall be in addition to and shall not exclude any other remedy available at law or in equity, and exercise by either party of any one or more of such remedies shall not preclude the exercise by it at the same or different times of any other such remedies for the same default or breach by the other party.

27. HAZARDOUS WASTE

LESSEE shall refrain from storing on, or discharging from or onto, the Lease Premises any hazardous wastes or toxic substances as defined in 42 USC § 9601-9657, except as otherwise permitted by law.

28. INSURANCE

The LESSEE agrees to maintain during the term of this Lease, comprehensive or commercial general liability insurance covering personal injury and property damage, naming the STATE as additional insured. This insurance shall include contractual liability coverage for the indemnification provided under this Lease. Coverage limits shall not be less than the limits of liability set forth in the provisions of ORS 30.270(1) as now in effect or as hereafter amended. ORS 30.270(1) currently requires that the coverage limits shall not be less than ~~\$1,000,000.00~~ combined single limit per occurrence. The insurance shall be in a form and with companies acceptable to STATE. Such insurance may be evidenced by certificates or by copies of policies. Such evidence shall be provided to STATE prior to the commencement of any operations or activity under this Lease.

\$500,000.00

29. INDEMNIFICATION

LESSEE agrees to indemnify, defend and hold STATE, its officers, employees, and its agents harmless from any and all damages, claims, actions, costs and expenses arising in whole or in part out of acts or omissions related to this Lease. STATE shall have no liability to LESSEE for any loss or damage caused by third parties or by any condition of the LEASED PREMISES.

30. ATTORNEY FEES

If suit or action is instituted in connection with any controversy arising out of or in connection with this Lease, the prevailing party shall be entitled to recover all costs and disbursements incurred, including such sum as the court may adjudge reasonable as attorney fees at trial and on any appeal of the suit or action.

31. MODIFICATION

This agreement may be changed, altered or amended only by mutual written consent of the parties.

32. MERGER

This Lease constitutes the entire agreement between the parties, and no oral statement, representation or agreement not herein expressed shall be binding upon any party.

33. NON WAIVER

Waiver by either party of strict performance of any term of this Lease on any occasion shall not be construed as a waiver nor prejudice either party's right to require strict performance of the same provision in the future or of any other provision.

INITIAL
[Signature]

INITIAL
[Signature]

34. PARTNERSHIP

STATE is not a partner nor a joint venturer with LESSEE in connection with the business carried on under this Lease and shall have no obligation with respect to LESSEE's debts or other liabilities.

35. NOTICES

Any notices required or permitted under this Lease shall be in writing and deemed given three (3) days after deposited, postage prepaid, in the United States mail as regular mail and directed to the address provided below or to such other address as may be specified from time to time by either of the parties in writing.

For STATE:

DIVISION OF STATE LANDS
775 Summer Street NE
Salem, OR 97310

For LESSEE:

The Port of Portland
Name (Print)

P.O. Box 3529
Current Mailing Address

Portland, OR 97208
City State Zip

36. EXHIBITS

All exhibits hereto are expressly incorporated herein by reference and made a part hereof.
IN WITNESS WHEREOF the parties have executed this Lease.

LESSEE

7/28/92
Date

Mike Thorne
Signature
EXECUTIVE DIRECTOR

APPROVED AS TO LEGAL SUFFICIENCY

STATE OF Oregon
County of Multnomah } ss

Paul C. Brown
Counsel, Port of Portland

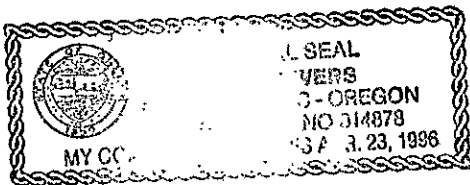
The foregoing instrument was acknowledged before me this 28th day of July, 1992,
by Mike Thorne (officer or agent of corporation), the Executive Director (title of officer or agent)
of The Port of Portland corporation, a _____ (state or place of incorporation) corporation,
on behalf of the corporation.

Ellie Nevers
Signature

My Commission Expires 4/23, 1996.

STATE OF OREGON, DIVISION OF STATE LANDS

Stephen J. Lawrence
Assistant Director



8-11-92
Date

ML-681

PARCEL 1

A parcel of state-owned submerged land of the Willamette River lying in Sections 2 and 11, Township 1 North, Range 1 West, Willamette Meridian, City of Portland, Multnomah County, Oregon, described as follows:

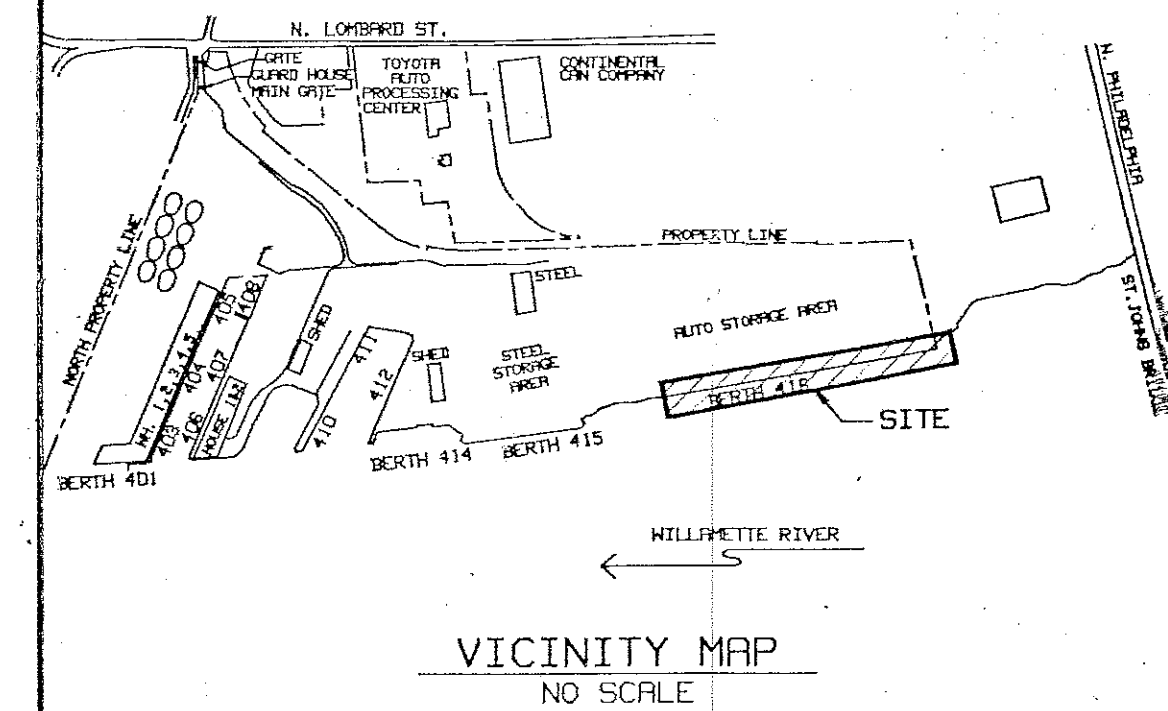
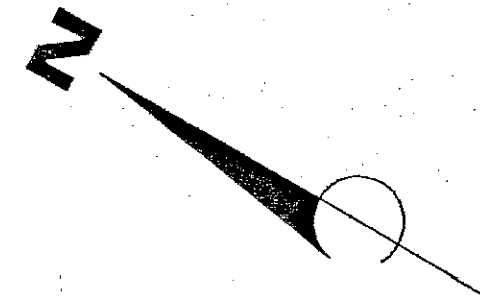
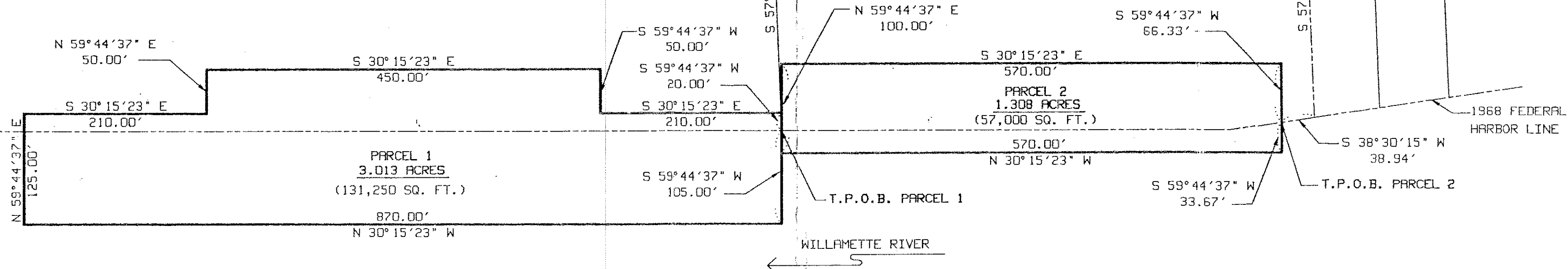
Beginning at a point on the southwesterly boundary line of North Bradford Street as dedicated December 1, 1948, by Multnomah County Ordinance No. 88273, said point being 968.56 feet, more or less, northwesterly, when measured at right angles to the northwesterly line of North St. Louis Avenue; thence South 57°26'33" West parallel to and 968.56 feet, more or less, from said northwesterly line of North St. Louis Avenue to a point which intersects the federal harbor line as established in 1968 and is the TRUE POINT OF BEGINNING; thence South 59°44'37" West, 105.00 feet; thence North 30°15'23" West, 870.00 feet; thence North 59°44'37" East, 125.00 feet; thence South 30°15'23" East, 210.00 feet; thence North 59°44'37" East, 50.00 feet; thence South 30°15'23" East, 450.00 feet; thence South 59°44'37" West, 50.00 feet; thence South 30°15'23" East 210.00 feet; thence South 59°44'37" West, 20.00 feet to the TRUE POINT OF BEGINNING, containing 3.013 acres, more or less.

ML-731

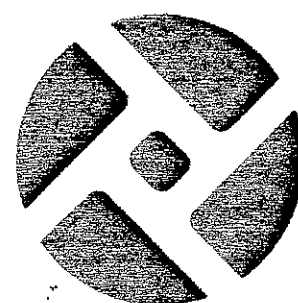
PARCEL 2

A parcel of state-owned submerged land of the Willamette River lying in Sections 2 and 11, Township 1 North, Range 1 West, Willamette Meridian, City of Portland, Multnomah County, Oregon, described as follows:

Beginning at a point on the southwesterly boundary line of North Bradford Street as dedicated December 1, 1948, by Multnomah County Ordinance No. 88273, said point being 361.89 feet, more or less, northwesterly, when measured at right angles to the northwesterly line of North St. Louis Avenue; thence South 57°26'33" West parallel to and 361.89 feet, more or less, distant from said northwesterly line of North St. Louis Avenue to a point which intersects the federal harbor line as established in 1968; thence South 38°30'15" West, 38.94 feet to the TRUE POINT OF BEGINNING; thence South 59°44'37" West, 33.67 feet; thence North 30°15'23" West, 570.00 feet; thence North 59°44'37" East, 100.00 feet; thence South 30°15'23" East, 570.00 feet; thence South 59°44'37" West, 66.33 feet to the TRUE POINT OF BEGINNING, containing 1.308 acres, more or less.



NO.	DATE	BY	REVISIONS	CK'D	APP'V'D

PORT OF PORTLAND
PORTLAND, OREGON

PROJECT MANAGER

DESIGN NUMBER

51407

PROJECT NUMBER

REGISTERED
PROFESSIONAL
LAND SURVEYORCharles L. Wiley
OREGON
JULY 25, 1990
CHARLES L. WILEY
2474

MARCH 18, 1992

DESIGNED BY C. HAINES

DRAWN BY C. HAINES

CHECKED BY C. WILEY

DATE MARCH, 1992

SCALE 1" = 100'

TERMINAL 4

EXHIBIT PLAT
BRIX MARITIMESUBMITTED BY
Donald L. Conwell
SUPERVISOR SURVEY/DRAFTING SERVICESDRAWING NO.
T4 92-2 1/2 (EP)

PERMIT FOR SPOIL DISPOSAL AREA

WHEREAS, Investors Associated, Inc.
is the lawful possessor of certain lands fronting on the
Willamette River in the State of Oregon,
and

WHEREAS, the War Department, Corps of Engineers, hereinafter termed the
GOVERNMENT is contemplating the performance of dredging operations in the
Willamette River
opposite said lands and desires the right and permission to deposit dredging
materials on a portion of the undersigned's lands, and

WHEREAS, the deposit of said dredged materials on the area of land here-
inafter designed will be of material value thereto, and it being in the
public interest;

NOW, THEREFORE, for and in consideration of the resultant benefits to
said land, Investors Associated, Inc.
does hereby grant unto the GOVERNMENT, the right and permission to enter
upon, use and occupy Tax Lot 34, Sec. 11, T1N, R1W and Tax Lot 63,
Sec. 2, T1N, R1W, for the purpose of depositing
sand and/or other dredged materials thereon without charge of any kind
therefor.

ALSO, a right-of-way for men, pipelines and machinery, or other equip-
ment over and across said lands, along such routes as may be necessary for
the purpose stated hereinabove.

The foregoing rights are granted with the distinct understanding that
all shore work necessary will be performed by Port of Portland
without any expense to

Said work to be completed and said rights to go upon and use of said land
for purposes allowably by this permit to terminate six months from date
hereof.

The undersigned hereby agrees to hold and save harmless the said
GOVERNMENT from any claims for damages to said property resulting from the
activities hereinabove described.

IN WITNESS WHEREOF, the undersigned, having full legal authority to do
so, has caused this instrument to be executed and issued as of this 14th
day of November, 1949

INVESTORS ASSOCIATED, INC.

By

Gray R. Hayner
President

WITNESS:

Catherine J. Anderson

NOTARY PUBLIC FOR OREGON

WITNESS:

My Commission expires Dec. 5, 1950

(Note: In case of Corporation, proper officers should sign either before a
notary or Secretary of the Corporation and affix the corporate seal).

2001-197

GUARANTY AGREEMENT IN LIEU OF PERFORMANCE BOND

Project: Toyota Redevelopment at Terminal 4 – Greenway Planting Schedule for Completion

RECITALS

A. The Port of Portland ("Port") has applied to the City of Portland ("City") for a certain adjustment ("Adjustment") pursuant to City Code Chapter 33.805 that would allow the Port to defer certain improvements required to meet the Greenway standards under City Code Section 33.440.230 until December 31, 2003.

B. The City is willing to issue the Adjustment on the condition that the Port provides the assurances provided below and is authorized to accept such assurances in lieu of construction of the Greenway improvements pursuant to City Code Section 33.700.050(B).

AGREEMENT

1. The Port guarantees to the City, subject to this Guaranty Agreement, that the Port will comply with all requirements of City Code Sections 33.248.030, 33.248.040 and 33.440.230 as described in attached **Exhibit A** (the "Greenway Improvements") by no later than December 31, 2003.

2. If the Port or the Port's contractor fails to complete the construction of the Greenway improvements as described in paragraph 1 above, the City may engage a contractor in accordance with the City's procurement procedures to complete the Greenway Improvements. Before engaging the contractor, however, the City shall give the Port written notice of the failure to complete the Greenway Improvements and of the City's intent to engage a contractor to complete the Greenway Improvements. The City shall allow the Port a reasonable time of not less than thirty (30) calendar days after delivery of the written notice to cure, or to undertake a cure if the cure would take longer than thirty (30) days, the failure to complete the Greenway Improvements. Upon written request from the City, the Port shall reimburse the City for any costs incurred by the City to complete the Greenway Improvements.

3. The Port agrees to pay within thirty (30) days after written demand from the City any reasonable fees and costs incurred by the City to perform the work described in paragraph 2 above.

THE CITY OF PORTLAND

THE PORT OF PORTLAND

By: Margaret M. Mahoney

Name: MARGARET M. MAHONEY

Title: DIRECTOR, OPDR

Date: 9/20/01

APPROVED AS TO FORM TO FORM

By: Jeffrey L. Rogers
Deputy City Attorney, City of Portland

CITY ATTORNEY 9-11-01

By: E.B. Galligan

Name: E.B. Galligan

Title: Executive Director

APPROVED AS TO LEGAL SUFFICIENCY FOR THE PORT

By: Nancy B. Shum
Counsel for Port of Portland

EXHIBIT A

GREENWAY IMPROVEMENTS

Plant Source and Materials. Plant materials will be native and selected from the Portland Plant List. They will be non-clonal in origin, the seed source will be as local as possible, and the plants will be nursery propagated.

Plant Quantities. The plant quantities will at a minimum meet all Greenway standards. Based on 5,200 linear feet of river frontage for the entire project site, a minimum of 260 trees and 2,600 shrubs will be planted. However, as a part of the actual Greenway Review, the Port expects to substantially exceed these plant quantities.

Installation. Plant materials will be installed to current nursery industry standards. Plant materials will be supported only when necessary due to extreme winds at the planting site. Where support is necessary, stakes, guy wires or other measures will be removed as soon as the plant can support itself. All trees and shrubs will be planted within and riverward of the Greenway setback and will be planted in groupings. While additional Greenway plantings will occur landward of the setback, they will be in addition to the plantings addressed in this adjustment. Areas which are not paved or reveted surfaces will have living ground cover.

Irrigation. New plantings will be manually watered regularly during the first growing season by Port maintenance staff. During later seasons, watering will continue to be done as needed by Port maintenance staff or by a piped irrigation system to ensure survival of the plants.

Monitoring and Reporting. The Port will monitor all landscaped areas. Plants that die will be replaced in kind. Written documentation that all specifications of this section have been met will be provided by the Port one year after the planting is completed.

Effective Time Period. The Port proposes that this adjustment remain in effect until a site development application for this site is approved. The Port agrees to install all required Greenway plantings by the end of December 2003.

B-3

2881720A
Contract Number

THE PORT OF PORTLAND
POST OFFICE BOX 3529
PORTLAND, OREGON

IMPORT AUTOMOBILE PROCESSING BUILDINGS
TERMINAL NO. 4

CONTRACT

THIS AGREEMENT, made and entered into this 27th day of May, 1976, by and between the Port of Portland, a municipal corporation of the State of Oregon, hereinafter called the "Port," and Reimers & Jolivette, Inc., of 435 Oregon Pioneer Building, Portland, Oregon 97204, hereinafter called the "Contractor,"

W I T N E S S E T H:

That the Contractor and the Port for the considerations hereinafter named agree as follows:

1. Scope of the Work: The Contractor agrees to provide all of the materials and perform all of the work, except as excluded herein, for construction of "Import Automobile Processing Building, Terminal No. 4," hereinafter called the Project. All work shall be in accordance with the Project Drawings, General Conditions and Specifications and other contract documents as prepared by Moffatt, Nichol & Bonney, Inc., and the Port.
2. Time of Completion: It is understood that time is extremely important and the Contractor shall provide the necessary equipment and personnel and shall expedite the work as required to complete the entire work by November 15, 1976.
3. Overtime Work: Double shifting or work on other than a normal single shift work week basis shall be avoided unless specifically approved in writing by the Engineer.
4. Contractor's Duties and Status: The Contractor recognizes the relations of trust and confidence established between him and the Port by this Contract. He covenants with the Port to furnish his best skill and judgment and to cooperate with the Engineer in forwarding the interests of the Port. He agrees to furnish efficient business administration and superintendency and to use every effort to keep upon the work at all times an adequate supply of workmen and materials, and to secure its execution in the best and soundest way and in the most expeditious and economical manner consistent with the interests of the Port.

5. Contractor's Fee: The Port agrees to pay the Contractor, in addition to the costs to be reimbursed, in current funds as compensation for his services, a fixed fee of \$28,000.00 as shown in the proposal. The fixed fee will not change unless changes ordered by the Port after the initial guaranteed maximum is established cause the final total cost to exceed the initial guaranteed maximum by more than ten percent (10%). If the final total cost exceeds the initial guaranteed maximum by more than ten percent (10%), the fixed fee will be increased by multiplying the fixed fee by the ratio of the final total cost to the initial guaranteed maximum.

6. Costs to be Reimbursed: The Port agrees to reimburse the Contractor in current funds paid directly to the Contractor, all costs necessarily incurred for the proper execution of the work, such costs to include the following items, and to be at rates not higher than the standard paid in the locality of the work, and as approved by the Port.

a. All on-site labor directly on the Contractor's payroll, including standard fringe benefits, social security and old age benefits and other taxes related thereto.

b. Salaries of contractor's employees stationed at the field office. These employees shall be limited to one project superintendent and one timekeeper or expeditor or similar person. Numbers of employees are subject to review and approval by the Port.

c. Permit fees, royalties, damages for infringement of patents and costs of defending suits therefor and for deposits lost for causes other than the Contractor's negligence.

d. Losses and expenses, not compensated by insurance or otherwise, sustained by the Contractor in connection with the work, provided they have resulted from causes other than the fault or neglect of the Contractor. Such losses shall include settlements made with the written consent and approval of the Port. No such losses and expenses shall be included in the cost of the work for the purpose of determining the Contractor's fee, but if, after a loss from fire, flood or similar cause not due to the fault or neglect of the Contractor, he be put in charge of reconstruction, he shall be paid for his services, a fee proportionate to that named in Paragraph 5 hereof.

e. Cost of hand tools not owned by the workmen, canvas and tarpaulins consumed in the prosecution of the work, and depreciation on such tools, canvas and tarpaulins used but not consumed and which shall remain the property of the Contractor.

f. Direct expenses, such as telegraph, telephone service, expressage and similar petty cash items.

g. Materials, supplies, equipment and transportation required for the proper execution of the work, which shall include all temporary structures and their maintenance, including sales and other taxes related thereto.

- h. The amounts of all subcontracts.
- i. Premiums on all bonds and insurance policies called for under the Contract.
- j. Rentals of all construction plant or parts thereof, including temporary buildings whether rented from the Contractor or others, in accordance with local commercial rental rates and as approved by the Engineer. Rental rates on equipment standby time shall be by mutual agreement. Transportation of said construction plant and temporary buildings, cost of loading and unloading, cost of installation, dismantling and removal thereof and minor repairs and replacements during its use on the work.

7. Costs Not to be Reimbursed: Reimbursement of expenses to the Contractor shall not include any of the following:

- a. Salary of the Contractor, if an individual, or salary of any member of the Contractor, if a firm, or salary of any officer of the Contractor, if a corporation.
- b. Salary of any person employed, during the execution of the work, in the main office or in any regularly established branch office of the Contractor.
- c. Overhead or general expenses of any kind, except as these may be expressly included in Paragraph 6.
- d. Interest on capital employed either in the plant or in expenditures on the work, except as may be expressly included in Paragraph 6.
- e. Salaries and overhead of offsite employees engaged at shops or on the road in expediting the production or transportation of materials.

8. Items of Work Furnished by Port: Certain work, equipment or building components may be procured by the Port outside of this Contract. As a part of the work under this Contract, the Contractor may be required to make a final mechanical and electrical connections or equipment furnished and installed by the Port. The Contractor may also be required to install equipment or components furnished by the Port. It is the intent that the Contractor will be required to manage and coordinate the completion of all such work on the project as a part of his services under this Contract.

9. Discounts: Trade discounts, for purchase of materials and services, shall accrue to the Port, and cash discounts, for prompt payment of invoices shall accrue to the Contractor.

10. Guaranteed Maximum Cost: As soon as the Contract documents are sufficiently complete to do so, the Contractor shall determine a guaranteed maximum cost for the Project which shall be made a part of this Contract by change order. The guaranteed maximum cost shall be substantiated by a detailed estimate of costs with a complete breakdown of material, labor and such other detailed documentation as may be required

by the Engineer. Until the guaranteed maximum is established by change order, the contract amount shall be assumed to be \$700,000.00.

11. Accounting: The Contractor shall check all materials and labor entering into the work and shall keep such full and detailed accounts as may be necessary to proper financial management under this Contract. Engineer shall be afforded access to the work and to all of the Contractor's records, correspondence, receipts, vouchers, memoranda, etc., relating to this Contract.

12. Progress Payment: The Contractor may submit periodically, but not more than once each month, a request for payment for work done and materials delivered and stored on the site and prorata progress payment of Contractor's fixed fee. Prorata payment of Contractor's fixed fee shall not exceed fifty percent (50%). Payment requests shall show in detail and as completely as possible, all monies paid out by the Contractor on account of the cost of the work during the period involved, with copies of payroll for labor, records of equipment used and copies of all bills. Payment requests shall be submitted to the Engineer, who shall promptly verify the correctness thereof for payment. Payment shall be due and payable promptly by the Port. Final payment shall be processed in the same manner.

Progress payments shall be for full amount of the request for payment, with no money retained, except fifty percent (50%) of the fixed fee will not be paid until after final acceptance.

13. Successors and Assigns: The Contract and all of the covenants hereon shall inure to the benefit of and by binding upon the Port and the Contractor, respectively and his partners, successors, assigns and legal representatives. Neither the Port nor the Contractor shall have the right to assign, transfer, or sublet his interests or obligations hereunder without written consent of the other party. All subcontractors and contracts shall be approved by the engineer.

14. In the event of conflict with other contract documents, the wording in this Contract section shall prevail.

15. Under the same date as this Contract, the Contractor is furnishing the Port with a corporate surety bond with Safeco Insurance Company as surety, in the full amount of the Contract. The said bond to insure full compliance, full execution and performance of this Contract by the Contractor in accordance with all of its terms and provisions.

16. The Port shall have the right to terminate this contract as provided in O.R.S. 279.330 and in addition the Port may terminate this contract in the event the guaranteed maximum is judged by the engineer as unacceptable by the Port. The contractor will then be reimbursed for all

costs as provided in Paragraph 6 and be paid a pro rata share of the fixed fee based on the assumed contract price and the costs to be reimbursed incurred.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be duly executed.

CONTRACTOR

THE PORT OF PORTLAND

/s/ Guy A. Jolivet
President

/s/ F. Glen O'Dell
~~President~~
Secretary

/s/ Lee A. Underwood
Assistant Secretary

DS114E

A G R E E M E N T

KNOW ALL MEN BY THESE PRESENTS that THE PORT OF PORTLAND,

a municipal corporation of the State of Oregon,

as Owner of 10400 and 10402 N. Lombard St.
Portland, Oregon 97203, legal description
as follows: Tax Lot 59, Section 2 T.1 N., R 1 W Willamette Meridian,
Multnomah County, Oregon.

hereinafter referred to as Owner, in consideration of the granting of a City sewer connection permit and a plumbing permit to said Owner in accordance with Chapter 25.32.040 of Ordinance No. 130672, Code of the City of Portland, Oregon, agree as follows:

1. That said Owner at his own expense shall construct and install a common private sewer and appurtenances extending from a City sewer system which shall serve each building upon the property hereinabove described, owned by said Owner; that said Owner at his own expense shall maintain as needed the necessary common private sewer and appurtenances in a sanitary condition at all times to convey effluents effectively and efficiently; that such common private sewer shall be constructed in accordance with the application, specifications and plans submitted by Owner, and approved by the City Engineer, Chief Plumbing Inspector and the Building Inspections Director; that no such private sewer shall be constructed, installed or used until such approval has been obtained; that such Owner shall revise plans and specifications to meet requirements requested by the City Engineer, Chief Plumbing Inspector or the Building Inspections Director.
2. That the aforementioned plumbing permit granted to Owner is subject to termination at any time by written notice from the City Engineer to Owner, his heirs, successors or assigns; that upon such termination Owner shall at his own expense forthwith disconnect the connection permitted by the above-mentioned plumbing permit and City sewer connection permit.
3. That said Owner shall comply with all provisions of the Code of the City of Portland, Oregon, in the construction, installation and maintenance of said common private sewer and appurtenances.

4. That said Owner shall be responsible to the City of Portland, Oregon, for all sewer user service charges and all other applicable charges imposed by said City, and said Owner agrees that all buildings on said property shall be deemed served by and chargeable with sewer user service charges of said City.

5. That Owner by accepting or using the above-mentioned permits waives the right to remonstrate against the construction of and/or assessment against the property hereinabove described arising out of the construction of a public sewer system including all or part of said hereinabove-described property.

6. That this agreement shall be placed of record by said City at Owner's expense in the Records of the County in which the property is located.

7. That in the event Owner shall sell or otherwise dispose of any part or parts of hereinabove-described real property, such instruments of conveyance to the purchaser shall include a reservation for use of the common private sewer by any property so sold or remaining which thereupon may become servient to remaining properties for use of said common private sewer and appurtenances.

8. That this agreement shall be binding upon the Owner, his heirs, executors, administrators, successors and assigns.

9. That in this agreement "plural" includes the "singular" or vice versa unless a contrary meaning is intended. The pronouns "he" and "his" shall include the pronouns "it," "its," "she," "her," "they," and "their" where required, and all other pronouns shall similarly be given broad meanings.

IN WITNESS WHEREOF, the Owner herein has caused this instrument to be executed on this 14th day of July, 1976.

APPROVED AS TO FORM

Betty J. Confort
of Counsel for the Port of Portland

Lloyd E. Anderson
Executive Director

STATE OF OREGON)
) ss.
County of Multnomah)

Personally appeared the above-named Lloyd E. Anderson,
Executive Director of the Port of Portland,
and acknowledged the foregoing instrument to be the voluntary act and deed, on the part of the Port of Portland.

Before me:

Kathi Scarborough
Notary Public for Oregon

My Commission expires: June 5, 1979

ACCEPTANCE

Portland, Oregon, June 30, 1976

GEORGE YERKOVICH
Auditor of the City of Portland.
Room 202, City Hall
Portland, Oregon 97204

Dear Sir:

This is to advise the City of Portland, Oregon, that I hereby accept the terms and provisions of Ordinance No. _____ passed by the Council June 30, 1976, authorizing issuance of a Building Permit for the benefit of the Port of Portland notwithstanding Section 33.114.070 of the Code of the City of Portland in constructing a fill west of N. Lombard Street north of N. Weyerhaeuser Avenue, on Tax Lot 59 and the westerly portion of Tax Lot 94, Section 2, T1N, R1W, under certain conditions, and declaring an emergency,

and in consideration of the benefits to be received thereunder by me I hereby agree to abide by and perform each and all of the terms and provisions thereof applicable to me.

Very truly yours,

[CORPORATE
SEAL]

PORT OF PORTLAND

* *Marion J. Schickel*

Assistant Secretary-Treasurer

---P.O. Box 3529, Portland, Or 97208---
Address

Approved as to form:

City Attorney

APPROVED AS TO FORM

Betty J. Goff
City Counsel for the Port of Portland

*When an acceptance is required from a firm or corporation the Acceptance must be signed by an officer of the firm or corporation stating his or her official title, and corporations must affix the corporate seal.

A G R E E M E N T

KNOW ALL MEN BY THESE PRESENTS that THE PORT OF PORTLAND,

a municipal corporation of the State of Oregon,

as Owner of 10400 and 10402 N. Lombard St.
Portland, Oregon 97203, legal description
as follows: Tax Lot 59, Section 2 T.1 N., R 1 W Willamette Meridian,
Multnomah County, Oregon.

hereinafter referred to as Owner, in consideration of the granting of a City sewer connection permit and a plumbing permit to said Owner in accordance with Chapter 25.32.040 of Ordinance No. 130672, Code of the City of Portland, Oregon, agree as follows:

1. That said Owner at his own expense shall construct and install a common private sewer and appurtenances extending from a City sewer system which shall serve each building upon the property hereinabove described, owned by said Owner; that said Owner at his own expense shall maintain as needed the necessary common private sewer and appurtenances in a sanitary condition at all times to convey effluents effectively and efficiently; that such common private sewer shall be constructed in accordance with the application, specifications and plans submitted by Owner, and approved by the City Engineer, Chief Plumbing Inspector and the Building Inspections Director; that no such private sewer shall be constructed, installed or used until such approval has been obtained; that such Owner shall revise plans and specifications to meet requirements requested by the City Engineer, Chief Plumbing Inspector or the Building Inspections Director.
2. That the aforementioned plumbing permit granted to Owner is subject to termination at any time by written notice from the City Engineer to Owner, his heirs, successors or assigns; that upon such termination Owner shall at his own expense forthwith disconnect the connection permitted by the above-mentioned plumbing permit and City sewer connection permit.
3. That said Owner shall comply with all provisions of the Code of the City of Portland, Oregon, in the construction, installation and maintenance of said common private sewer and appurtenances.

4. That said Owner shall be responsible to the City of Portland, Oregon, for all sewer user service charges and all other applicable charges imposed by said City, and said Owner agrees that all buildings on said property shall be deemed served by and chargeable with sewer user service charges of said City.

5. That Owner by accepting or using the above-mentioned permits waives the right to remonstrate against the construction of and/or assessment against the property hereinabove described arising out of the construction of a public sewer system including all or part of said hereinabove-described property.

6. That this agreement shall be placed of record by said City at Owner's expense in the Records of the County in which the property is located.

7. That in the event Owner shall sell or otherwise dispose of any part or parts of hereinabove-described real property, such instruments of conveyance to the purchaser shall include a reservation for use of the common private sewer by any property so sold or remaining which thereupon may become servient to remaining properties for use of said common private sewer and appurtenances.

8. That this agreement shall be binding upon the Owner, his heirs, executors, administrators, successors and assigns.

9. That in this agreement "plural" includes the "singular" or vice versa unless a contrary meaning is intended. The pronouns "he" and "his" shall include the pronouns "it," "its," "she," "her," "they," and "their" where required, and all other pronouns shall similarly be given broad meanings.

IN WITNESS WHEREOF, the Owner herein has caused this instrument to be executed on this 14th day of July, 1976.

APPROVED AS TO FORM

Betty J. Confort
of Counsel for the Port of Portland

Lloyd E. Anderson
Executive Director

STATE OF OREGON)
) ss.
County of Multnomah)

Personally appeared the above-named Lloyd E. Anderson,
Executive Director of the Port of Portland,
and acknowledged the foregoing instrument to be the voluntary act and deed, on the part of the Port of Portland.

Before me:

Kathi Scarborough
Notary Public for Oregon

My Commission expires: June 5, 1979

ACCEPTANCE

Portland, Oregon, June 30, 1976

GEORGE YERKOVICH
Auditor of the City of Portland.
Room 202, City Hall
Portland, Oregon 97204

Dear Sir:

This is to advise the City of Portland, Oregon, that I hereby accept the terms and provisions of Ordinance No. _____ passed by the Council June 30, 1976, authorizing issuance of a Building Permit for the benefit of the Port of Portland notwithstanding Section 33.114.070 of the Code of the City of Portland in constructing a fill west of N. Lombard Street north of N. Weyerhaeuser Avenue, on Tax Lot 59 and the westerly portion of Tax Lot 94, Section 2, T1N, R1W, under certain conditions, and declaring an emergency,

and in consideration of the benefits to be received thereunder by me I hereby agree to abide by and perform each and all of the terms and provisions thereof applicable to me.

Very truly yours,

[CORPORATE
SEAL]

PORT OF PORTLAND

* *Marion J. Schickel*

Assistant Secretary-Treasurer

---P.O. Box-3529, Portland, Or-97208---
Address

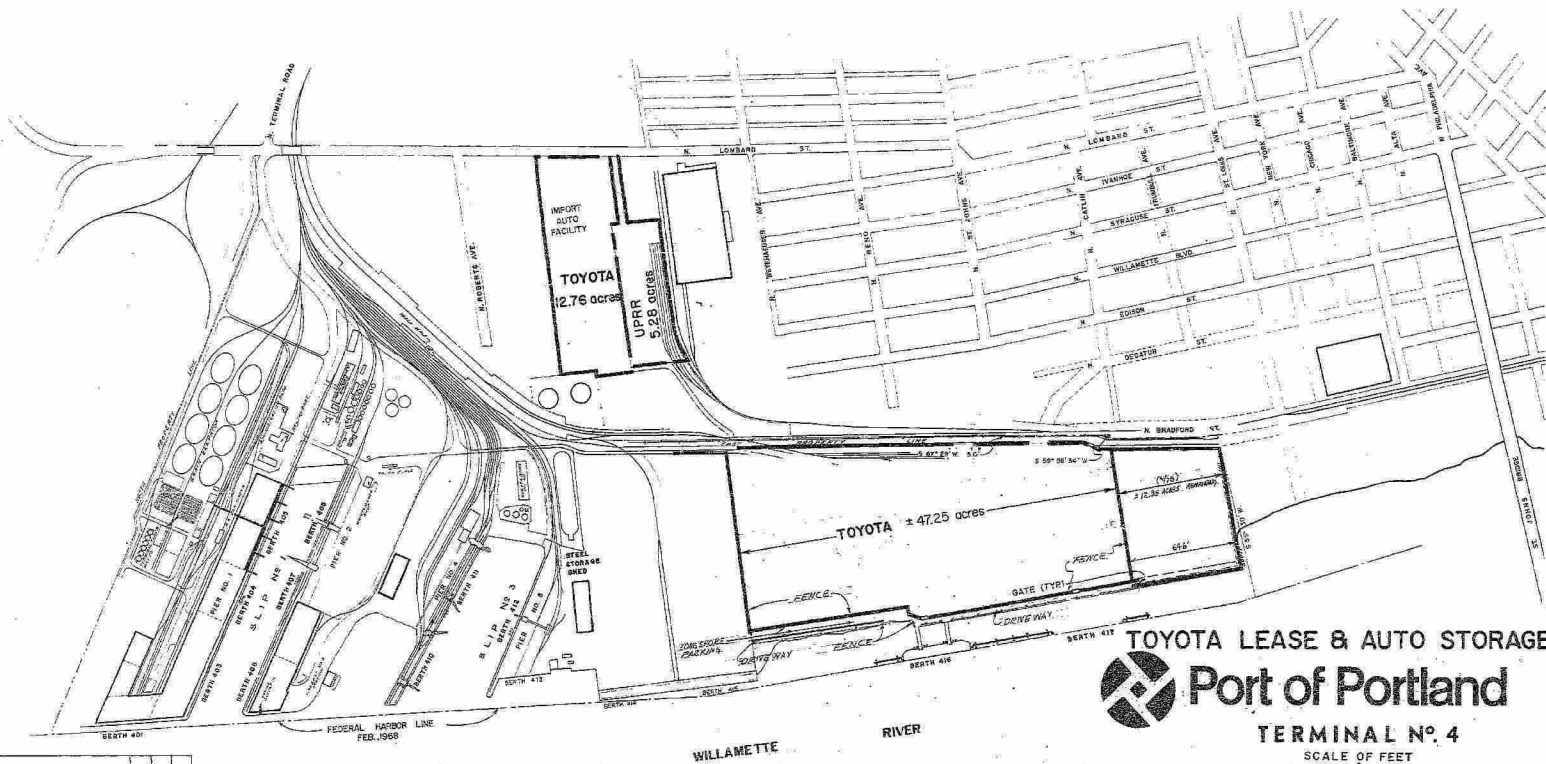
Approved as to form:


City Attorney

APPROVED AS TO FORM

Betty J. Goff
City Counsel for the Port of Portland

*When an acceptance is required from a firm or corporation the Acceptance must be signed by an officer of the firm or corporation stating his or her official title, and corporations must affix the corporate seal.



TOYOTA LEASE & AUTO STORAGE
 **Port of Portland**
 TERMINAL No. 4
 SCALE OF FEET
 0 200 400 600 800
 1976

TOYOTA INITIAL AREAS

DEC. 20, 1976

T4-76-29

POPT4ASA100001164

NO.	DATE	BY	REVISIONS	OK'D	APP'D
1	1/1/76	NH	ENLARGED OCK AREA		

TERMINAL USE AGREEMENT

BETWEEN

OREGON STEEL MILLS

AND

THE PORT OF PORTLAND

Dated as of: 15 June 1999

**TERMINAL USE AGREEMENT
BETWEEN
OREGON STEEL MILLS
AND
THE PORT OF PORTLAND**

THIS AGREEMENT is made and entered into on the 15th day of June, 1999, between OREGON STEEL MILLS, organized and existing under the laws of the state of Oregon ("OSM"), and THE PORT OF PORTLAND, a port district of the State of Oregon ("PORT").

RECITALS

A. OSM has been importing steel slab through the PORT's Terminals 4 and 6 for the last year. That business is increasing and OSM wishes to import and export other steel products as well.

B. Terminal 4, Berths 414/415 has been underutilized since 1992 and is ideally suited to handling OSM's steel products. The parties, therefore, find this Terminal Use Agreement mutually advantageous.

C. The parties, intending to be legally bound by the terms of this Agreement, agree as follows:

1. TERM - TERMINAL 4

1.1 Initial Term:

This Agreement shall be for a term of approximately five (5) years beginning July 1, 1999, and continuing through and including March 31, 2004 ("Initial Term"). The Initial Contract Year shall be July 1 through March 31. Thereafter, "Contract Year" shall mean the consecutive twelve-month period from April 1 through and including March 31 of the following year.

1.2 Extension Term:

If OSM is not in default of this Agreement, then upon mutual written agreement, the parties may extend the contract for three (3) additional five-year terms under the same terms and conditions subject to the adjustment of rates as provided for in Section 7.

1.3 Holding Over:

If, after the expiration of the Initial Term of this Agreement, OSM and the PORT have not entered into a new agreement and OSM continues to call at the PORT's Terminal No. 4, then at the PORT's option, the PORT may either: (a) elect to continue the term of this Agreement on a month-to-month basis, in which event either the PORT or OSM may terminate this Agreement with thirty (30) days advance written notice to the other party, and both the PORT and OSM shall remain bound by all of the terms, conditions, and covenants of this Agreement until the

Agreement is terminated; or (b) elect to have all such calls at Terminal No. 4 after the expiration of the term be governed solely by the terms and conditions of the Tariff as defined in Section 6.5.

2. TERM - TERMINAL 6

2.1 Initial T-6 Term:

The non-preferential use of Terminal 6 shall be granted for a term beginning July 1, 1999, and continuing through and including March 31, 2002.

2.2 Extension Term:

OSM, at it's sole option, may extend the non-preferential use of Terminal 6 for two additional one-year terms, ("T-6 Initial Extension"). At the end of the T-6 Initial Extension term, if OSM is not in default of this Agreement, then upon mutual written agreement, the parties may extend this Agreement for non-preferential use of T-6 for four (4) additional one-year terms under the same terms and conditions, subject to the adjustment of rates as provided for in Section 7 ("T-6 Additional Extensions").

3. PREMISES

3.1 Terminal 4

The Terminal 4 area covered by this Agreement (the "T-4 Premises") shall include the preferential use of approximately 20 acres located at Terminal 4, which is blacktopped, striped, and lighted, including Warehouse 7 and the preferential use of Berth 415. OSM shall have the non-preferential use of Berth 414. The location of the Premises shall be determined by mutual agreement of the parties in order to achieve efficient utilization of the terminal. Attached is Exhibit "A" which indicates the most probable configuration of the Terminal.

3.2 Terminal 6

OSM shall have the non-preferential use of approximately five (5) acres at Terminal 6 as a back-up facility in case Terminal 4 is not available to handle steel products, including the non-preferential use of a berth and container cranes to be invoiced at the Whirley Crane rate as specified in the Tariff.

4. USE OF T-4 PREMISES

OSM shall have a preferential right to use the Premises for any of its cargo operations within the capabilities of the live load limits of the Premises which is 1,000 pounds per square inch, including receipt, delivery, loading, sorting and storage of cargo, for both import and export steel and other breakbulk cargoes, and shall be responsible for the care, custody and control of such cargoes. Products at this terminal are defined as follows: "OSM Cargo" is defined as cargo consigned to or shipped by OSM; "Bulk Cargo" is defined as cargo that is shipped in bulk; "Third Party Cargo" is defined as cargo for which OSM is acting as cargo handler but not owner. The following conditions and reservations shall apply:

4.1 Bulk Cargo Discharge

Bulk Cargo discharge shall be limited to Berth 414.

4.2 Best Management Practices

All Bulk Cargo handling, is subject to PORT approval of OSM's Best Management Practices.

4.3 Berthing Rights Reserved for PORT:

The PORT reserves the right to use the Premises for berthing and cargo operations of other vessels when said berth is not being used by OSM ("PORT Berthing Rights"). OSM agrees to promptly remove vessels not actively engaged in cargo loading or discharging operations from the berth provided that the PORT requests such removal in writing by mail or fax in order to exercise its Berthing Rights.

4.4 Security

OSM shall be responsible for the care, custody and control of its cargo. The PORT shall provide perimeter security.

4.5 Maintenance

OSM shall be responsible for keeping the Premises, including dock offices and other peripheral buildings, clean of all debris and other dunnage as a result of its cargo operations, and OSM shall be responsible for any damage caused to the Premises as a result of its use of the facility.

4.6 Access to Premises:

The PORT hereby grants to OSM the right of ingress and egress over Terminals 4 and 6 as necessary to carry out OSM's operations pursuant to this Agreement. The PORT shall have an unrestricted right of access to and over the Premises when it is not being fully utilized by OSM. The PORT, its authorized vessel stevedores and its inspectors, employees, agents, and contractors shall also have ingress and egress over the Premises at any time as needed for its operations.

5. USE OF T-6 PREMISES

OSM shall have the use of Terminal 6 only for the discharge of steel products if Terminal 4 is not capable of handling the steel products cargo. The receipt and delivery of OSM Cargo at Terminal 6 is the sole responsibility of OSM.

6. RATES AND CHARGES

6.1 Annual Contract Guarantee:

OSM shall pay to the PORT an annual payment in lieu of wharfage for OSM Cargo ("Annual Contract Guarantee" or "ACG") of \$400,000 per Contract Year, payable in four equal installments of \$100,000 each. This payment is in addition to dockage, the Bulk Cargo

Discharge Fee and payment of Third Party Cargo revenue. The ACG will escalate annually beginning April 1, 2000, (the "Anniversary Date") in accordance with the calculation of adjustment described in Section 7; provided that in no event shall it be adjusted downward.

6.2 Dockage

Dockage shall be invoiced to the vessel by the Port at the rates and charges specified in the Tariff. The Port will submit payment to OSM within thirty days of receipt of revenue from the vessel. OSM and the PORT shall share dockage revenues for OSM Cargo and Bulk Cargo on an annual basis as follows:

<u>Annual Revenue</u>	<u>Revenues To</u>
0 - \$100,000	PORT
Over \$100,000	50% to OSM 50% to PORT

6.3 Bulk Cargo Discharge

OSM shall pay to the PORT a wharfage rate of \$1.25 per metric ton on the first 50,000 metric tons of Bulk Cargo per year discharged from the Premises. This charge shall be subject to escalation on April 1 each year as specified in Section 7.1, but in no event shall it be adjusted downward.

6.4 Third Party Cargo Revenue

OSM shall charge wharfage on Third Party Cargo based on the Tariff or a Port-approved charter quote. OSM shall pay to the PORT 50 percent of all wharfage revenues from Third Party Cargo operations over and through the Premises. OSM shall not solicit any current PORT accounts without the PORT's prior written consent. Those accounts are listed in Exhibit "B".

6.5 Tariff

All activity and cargo not covered by this Agreement, resulting from OSM's operations on or over the Premises are subject to the PORT of Portland's then current Terminal Tariff, as filed with the Federal Maritime Commission (FMC), and all supplements thereto and reissues thereof ("Tariff"), which Tariff, except as modified by the express terms of this Agreement, is hereby incorporated by reference and made a part of this Agreement as if fully set out herein. The Tariff is posted on the Port's web site at www.portofportlandor.com. OSM hereby acknowledges receipt from the PORT of a copy of the Tariff as in effect on the date of this Agreement. OSM agrees to pay all applicable PORT charges for services provided at OSM's request at rates published in the Tariff except as stated in this Section 6 and subject to the terms of this Agreement. OSM also agrees to abide by all terms and conditions of the Tariff except as otherwise specified in this Agreement.

7. ADJUSTMENT OF RATES AND CHARGES

7.1 Calculation of Adjustment:

The Annual Contract Guarantee (ACG) and the Bulk Cargo Discharge Fee as set forth in Sections 6.1 and 6.3 shall be adjusted by multiplying the rate then in effect by the PORT's

calculation of the change over the 12-month period from January 1 to December 31 of the preceding year of the "Consumer Price Index - Seasonally Adjusted U.S. City Average for all Items for All Urban Consumers (1982-84=100)" published in the Monthly Labor Review by the Bureau of Labor Statistics of the United States Department of Labor (the "CPI-U").

7.2 Effective Date; Invoice for Adjustments:

OSM acknowledges that adjustments to the above rates and charges based on changes in the CPI-U, although effective as of the Anniversary Date, may not be able to be calculated until some time after the Anniversary Date. OSM agrees to continue paying the appropriate rate in effect prior to the Anniversary Date until receipt of a billing from the PORT advising OSM of the new rates. OSM further agrees to pay to the PORT, within thirty (30) days after receipt of an invoice therefor, any difference between the amount actually paid to the PORT after the Anniversary Date and the adjusted amount due.

7.3 Change in Index:

In the event the CPI-U is discontinued, the "Consumer Price Index - Seasonally Adjusted U.S. City Average for all Items for Urban Wage Earners and Clerical Workers (1982-84=100)" published by the Bureau of Labor Statistics or in the monthly Labor Review of the United States Department of Labor shall be used for making the computation. In the event the Bureau of Labor Statistics shall no longer maintain such statistics on the purchasing power of the U.S. consumer dollar, comparable statistics published by a responsible financial periodical or recognized authority selected by the PORT shall be used for making the computation.

7.4 Change in Base Year:

If the CPI-U base year 1982-84 (or other base year for a substituted index) is changed, the computation in this Section 5 shall accordingly be changed so that all increases in the CPI-U from the base year are taken into account notwithstanding any such change in such CPI-U base year.

8. PAYMENT

8.1 Time and Place of Payments:

OSM agrees to pay the Annual Contract Guarantee on a quarterly basis beginning July 1, 1999, as per invoices submitted by the PORT. OSM agrees to pay all other fees within thirty (30) days after vessel departure per invoices submitted by the Port. OSM will submit to the PORT vessel logs or other appropriate documentation indicating tonnage, etc., required within 24 hours of vessel departure. Payment shall be made to the PORT at the following address or such other place as the PORT may later designate:

Port of Portland
Unit 27
P.O. Box 4900
Portland, OR 97208-4900

8.2 Delinquency and Administrative Charges:

Terms are cash. Invoices issued by the PORT are due and payable upon presentation. All amounts not paid by OSM within thirty (30) days of the due date shall bear a delinquency charge of eighteen percent (18%) per annum or, if less, the maximum rate of interest allowed by law, from the date of delinquency until paid. The delinquency charge on the overdue amounts shall be subject to periodic change in the sole discretion of the PORT. The PORT's failure to impose a delinquency charge shall not be a waiver of the PORT's other rights and remedies for such delinquent payment, nor of the PORT's right to later charge and collect a charge for such delinquency. Acceptance of any delinquency charge by the PORT shall in no event constitute a waiver of OSM's default with respect to the overdue amount in question, nor prevent the PORT from exercising any of the other rights and remedies granted under this Agreement or by law.

9. FORCE MAJEURE

If the performance by either of the parties of their respective obligations under this Agreement (excluding monetary obligations) is delayed or prevented by any extraordinary acts of nature (including floods, explosions, earthquakes), fires, epidemics, war, labor strikes, riots, orders of or restraints by government authorities, or other extraordinary casualty which is not reasonably within the party's control and is not due to the fault or negligence of that party ("Force Majeure"), then that party shall be excused from performance to the extent that performance is prevented by any of the foregoing, without liability under this Agreement. OSM agrees, however, to proceed with all reasonable dispatch to perform its obligations under this Agreement after the Force Majeure preventing OSM from carrying out its obligations under this Agreement ceases to exist.

10. RULES, REGULATIONS AND LAWS

10.1 Rules & Laws:

OSM agrees to comply with all applicable rules and regulations or ordinances adopted by the PORT, its Executive Director, or the Executive Director's designee pertaining to the Premises or any buildings or structures located thereon either now in existence or hereafter promulgated for the general safety and convenience of the PORT, its tenants, invitees, licensees, and the general public. OSM further agrees to comply with all applicable federal, state, and municipal laws, ordinances and regulations, and to indemnify and hold harmless the PORT, its Commissioners, Directors, officers, agents, and employees from any liability or penalty which may be imposed by governmental authorities by reason of any asserted violation by OSM or its agents of the foregoing.

10.2 Notices:

All general correspondence with the Port may be sent to:

The Port Of Portland
Post Office Box 3529
Portland, Oregon 97208
Attn: Marine Contracts Administrator

All notices required or desired to be given under this Agreement shall be in writing and may be delivered by personal delivery or by placement in the United States mail, postage prepaid, as certified mail, return receipt requested, and addressed as follows:

The Port Of Portland
700 N.E. Multnomah
Portland, Oregon 97213
Attn: Marine Contracts Administrator

with copy to:

The Port Of Portland
Post Office Box 3529
Portland, Oregon 97208
Attn: Legal Department

and to OSM at:

Oregon Steel Mills
1000 SW Broadway, Suite 2200
Portland, OR 97205
Attn: Fred P. Swanson, Director, Corporation Transportation

Any notice delivered by personal delivery shall be conclusively deemed received by the addressee upon actual delivery; any notice delivered by mail as set forth in this Agreement shall be conclusively deemed received by the addressee on the third business day after deposit. The addresses to which notices are to be delivered may be changed by giving notice of such change in accordance with this notice provision.

11. INSURANCE, INDEMNIFICATION AND LIABILITY LIMITS

11.1 Insurance:

OSM shall obtain and maintain in full force and effect during the periods covered by this Agreement and shall provide PORT with copies or certificate(s) of insurance evidencing such coverage as set out in the Tariff. All insurance required under the Tariff shall provide primary coverage and not seek any contribution from any insurance or self-insurance carried by the PORT.

11.2 Indemnification:

OSM agrees to defend (using legal counsel acceptable to the PORT), indemnify, and hold harmless the PORT from and against any and all claims, damages, expenses, costs, fees (including, but not limited to, attorney, accountant, paralegal, expert, and escrow fees), and fines

(collectively "Costs") which may be imposed upon or claimed against or incurred or suffered by the PORT and which, in whole or in part, directly or indirectly, arise from or are in any way connected with any of the following, unless resulting from the PORT's negligence or willful misconduct: (a) any act, omission or negligence of OSM or OSM's partners, officers, directors, agents, employees, invitees or contractors resulting in damages or loss to a third party; (b) any use, occupation, management or control of the Premises by OSM, whether or not due to OSM's own act or omission and whether or not occurring on the Premises; (c) any condition created in or about the Premises by OSM, including any accident, injury or damage occurring on or about the Premises resulting from such condition; (d) any breach, violation or nonperformance of any of OSM's obligations under this Agreement; or (e) any damage caused by OSM on or to the Premises. For purposes of this Section, "OSM" shall be deemed to include OSM and all of OSM's respective partners, officers, directors, agents, employees, invitees, licensees, and/or contractors

11.3 Port's Right to Recover Damages

OSM agrees to reimburse the Port for any and all damages, expenses, costs, fees (including, but not limited to, attorney, accountant, paralegal, and expert fees), and fines (collectively "Costs") which may be imposed upon, incurred or suffered by the Port and which, in whole or in part, arise from any of the following, except to the extent resulting from the Port's negligent acts or omissions: (i) any act, or omission of OSM; (ii) any use, occupation, management or control of the Premises by OSM, whether or not due to OSM's own act or omission and whether or not occurring on the Premises; (iii) any condition created in or about the Premises by any party (other than the Port), including any accident, injury or damage occurring on or about the Premises after the Effective Date; and (iv) any breach, violation or nonperformance of any of OSM's obligations under this Agreement. For purposes of this Section 11.3 (i) through (iv), "OSM" shall be deemed to include OSM and OSM's partners, officers, directors, employees, agents, contractors, assignees and sublessees. OSM also agrees to reimburse the Port for any actual damage to Port property or Land and for any diminution of value, loss, or restriction on use of any of the actual Land as a result of (i) through (iv).

11.4 Liability Limits:

With regard to any and all bills of lading or other contracts of affreightment evidencing agreements entered into for the transportation of cargo where the PORT or its properties will be involved for marine terminal operations, OSM shall incorporate therein a provision effectively extending to the PORT, its Commissioners, directors, officers, employees, agents and third party stevedores, any and all benefits and limitations on liability of OSM thereunder, including without limitation the provisions of the U.S. Carriage of Goods by Sea Act ("COGSA") (46 USC ss 1300 et. seq.) and any similar foreign legislation or international convention and any other benefits or limitations on liability of OSM under such bill of lading or contract. Such extension of benefits shall cover any and all cargo to be brought to or across property owned, leased or controlled by the PORT.

12. DEFAULT

12.1 Event of Default:

The occurrence of any of the following shall constitute an Event of Default:

12.1.1 Default in Payments:

Failure of OSM to pay or remit any fee or other charge within thirty (30) days of the due date.

12.1.2 Default in Other Covenants:

Failure of OSM to comply with any term, covenant, or condition of this Agreement (other than the payment of fees or other amounts) within thirty (30) days after written notice by the PORT describing the nature of the default. If the default is of such a nature that it cannot be completely remedied within the thirty (30) day period, this provision shall be complied with if OSM begins correction of the default within the thirty (30) day period and thereafter proceeds in good faith and with reasonable diligence to effect the cure as soon as practical.

12.1.3 Insolvency:

To the extent permitted by the United States Bankruptcy Code, insolvency of OSM; an assignment for the benefit of creditors; the filing of a voluntary petition in bankruptcy; an adjudication that OSM is bankrupt or the appointment of a receiver of the properties; the filing of an involuntary petition of bankruptcy and failure of OSM to secure a dismissal of the petition within sixty (60) days after filing; attachment of or the levying of execution on OSM's contractual interest, and failure of OSM to secure discharge of the attachment or release of the levy of execution within twenty (20) days, shall all constitute an Event of Default hereunder. In these instances, no notice that an Event of Default has occurred shall be required.

12.2 Remedies on Default:

Immediately following an uncured Event of Default or an Event of Default for which there is no cure period, the PORT may exercise any or all rights and remedies provided at law or equity. Each right and remedy will be cumulative and will be in addition to every other right or remedy existing at law or in equity, or by statute or otherwise, including, without limitation, suits for injunctive relief and specific performance. The exercise or beginning of the exercise by the PORT of any such rights or remedies will not preclude the simultaneous or later exercise by the PORT of any other such rights or remedies. All such rights and remedies are nonexclusive.

12.3 Default by PORT:

If OSM believes the PORT to be in default of this Agreement, OSM shall give the PORT written notice specifying such default with particularity, and the PORT shall have thirty (30) days within which to cure any such default, or if such default cannot reasonably be cured within thirty (30) days, the PORT shall then have thirty (30) days to commence cure and shall proceed in good faith and with reasonable diligence to effect the cure as soon as practical. Unless and until the PORT fails to so cure such default after such notice, OSM shall not have any remedy or cause of action by reason thereof. All obligations of the PORT hereunder shall be construed as covenants,

not conditions, and all such obligations shall be binding upon the PORT only so long as the PORT is the operator of Terminal 6.

13. GENERAL PROVISIONS

13.1 Assignment:

This Agreement is personal to OSM, and therefore, no interest in this Agreement may be assigned, pledged, transferred, or mortgaged, nor may a right of use of any portion of the Premises be conveyed or conferred on any third party by OSM by any other means, without the prior written consent of the PORT (which consent the PORT may withhold or condition in its PORT's sole discretion). Any assignment or attempted assignment without the PORT's prior written consent shall be void. This provision shall apply to all transfers, including any that may occur by operation of law.

13.2 Nonwaiver:

Waiver by either party of strict performance of any provision of this Agreement shall not be deemed a waiver of, or prejudice the party's right to strict and prompt performance of, the same provision in the future, or any other provision.

13.3 Governing Law:

This Agreement shall be governed and construed according to the laws of the State of Oregon. Venue shall be in a court of competent jurisdiction located in Multnomah County, Oregon.

13.4 Attorney Fees

If a suit, action, or other proceeding of any nature whatsoever (including any proceeding under the U.S. Bankruptcy Code), is instituted in connection with any controversy arising out of this Agreement or to interpret or enforce any rights or obligations hereunder, the prevailing party shall be entitled to recover attorney, paralegal, accountant, and other expert fees and all other fees, costs, and expenses actually incurred and reasonably necessary in connection therewith, as determined by the court or body at trial or on any appeal or review, in addition to all other amounts provided by law. If the Port is required to seek legal assistance to enforce any term of this Agreement, such fees shall include all of the above fees, whether or not a proceeding is initiated. Payment of all such fees shall also apply to any administrative proceeding, trial, and/or any appeal or petition for review. Whenever this Agreement requires OSM to defend the Port, it is agreed that such defense shall be by legal counsel reasonably acceptable to the Port.

13.5 Taxes And Other Governmental Charges:

OSM agrees to pay any and all lawful taxes, assessments, or governmental charges that may be levied by any governmental body upon any taxable interest which OSM acquires under this Agreement.

13.6 Interest In Property Created:


The PORT and OSM agree that the interest created by this Agreement in the property described as the Premises is and shall be a terminal use interest and that OSM shall not have an interest in any other property described in this Agreement

13.7 Integration Clause

This Agreement represents the entire agreement between the PORT and OSM relating to OSM's preferential use of the Premises and shall supersede all previous communications, representations, or agreements, whether verbal or written between the parties hereto with respect to such use. It is understood and agreed by OSM that neither the PORT nor the PORT's agents or employees have made any representations or promises with respect to this Agreement or the making or entry into this Agreement, except as in this Agreement expressly set forth, and that no claim or liability or cause for termination shall be asserted by OSM against the PORT for, and the PORT shall not be liable by reason of, the claimed breach of any representations or promises not expressly stated in this Agreement, any other oral agreement with the PORT being expressly waived by OSM.

IN WITNESS WHEREOF, the parties have subscribed their names hereto effective as of the date first above.

OSM

By: 
Title: Vice President
Materials & Transportation

THE PORT
THE PORT OF PORTLAND

By: 
Mike Thorne, Executive Director

**APPROVED AS TO LEGAL
SUFFICIENCY**

By: 
Counsel for Port of Portland

APPROVED BY COMMISSION ON:

June 10, 1999